

REPORT
'OF THE
CONGRESS AGRARIAN REFORMS
COMMITTEE



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REPORT
OF THE
CONGRESS AGRARIAN REFORMS
COMMITTEE

Published by
The All-India Congress Committee
7 Jantar Mantar Road
NEW DELHI

First Edition—1949
Second Edition—1951

PRINTED AT THE
MADRAS PUBLISHING HOUSE (1945) LTD.
MADRAS 2

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Letter from the Chairman to the Congress President.

**CONGRESS AGRARIAN REFORMS COMMITTEE,
7, Jantar Mantar Road,
NEW DELHI.**

Camp: Wardha (C. P.),
9th July, 1949.

Dr. B. Pattabhi Sitaramayya,
President, Indian National Congress,
7, Jantar Mantar Road,
New Delhi.

Dear Doctor Pattabhi,

I have much pleasure in submitting herewith to you the Report of the Agrarian Reforms Committee.

I may recall that this Committee was appointed by your predecessor in office, Dr. Rajendra Prasad, and the details about its constitution, terms of reference, procedure and other relevant matters will be found in the Introduction of the Report.

May I draw your attention to the tables* indicating the sittings of the Committee and attendance of members—both at its deliberative meetings and visits to

* See appendices 'A' and 'B'.

provinces to gather evidence. I regret very much that the Committee has not had the benefit of attendance of some of the members at these sittings and visits and such members have been too busy to be able to go through the masses of information that we gathered. Having deprived themselves of the opportunity of clarification of view-points presented by the witnesses they have not in certain matters been able to see eye to eye with the other members and therefore, they have been obliged to resort to submitting separate notes which also I herewith append: As these notes lack the background of the Committee's investigations, you will agree with me that they are inclined to be rather academic and you know best how to assess these notes.

Yours sincerely,
J. C. KUMARAPPA,
Chairman.

INTRODUCTION

On the unanimous suggestion of the Revenue Ministers' Conference which met in Delhi in December, 1947, Dr. Rajendra Prasad, the then Congress President, appointed an Agrarian Reforms Committee.

Personnel

Shri J. C. Kumarappa was appointed the Chairman of the Committee. Other members of the Committee were :

1. Prof. M. L. Dantwala,
Reader in Agricultural Economics,
Bombay University School of Economics.
2. Shri S. Das Gupta,
Secretary, Board of Revenue,
Government of West Bengal.
3. Shri T. V. Raghavulu,
Representative, Agricultural Labour.
4. Shri O. P. Ramaswamy Reddiar,
Ex-Premier,
Madras Government.
5. Shri N. G. Ranga,
President, All-India Kisan Congress.
6. Shri Ameer Raza,
Secretary, Zamindari Abolition Committee,
U.P. Government.
7. Shri Phulan Prasad Varma,
Member, Damodar Valley Corporation.
8. Shri K. Mitra,
Secretary, Econ. and Pol. Research Dept.,
All-India Congress Committee (Member-Secretary).

Terms of Reference.—The following were the terms of reference of the Committee :

“The Committee will have to examine and make recommendations about agrarian reforms arising out of the abolition of zamindari system

in the light of conditions prevailing in the different provinces. The Committee will consider and report on co-operative farming and methods of improving agricultural production, position of small holdings, sub-tenants, landless labourers and generally on improving the conditions of agricultural rural population."

On 23rd February, 1948 the Committee had its inaugural meeting, Dr. Rajendra Prasad presiding.

Shri T. V. Raghavulu was nominated by the Congress President as a representative of agricultural labourers. The Congress President observed that while the Congress Economic Programme Committee's Report should serve generally as a guide to the Committee, it should be free to make any other recommendations which might be found necessary. He also suggested that the Committee should concern itself with both fact-finding and policy-making.

Questionnaire.—In a subsequent sitting, the Committee drafted a *questionnaire* (Appendix C) which was addressed to the Provincial Governments, Provincial Congress Committees, public men, kisan organisations, universities and experts.

In May, 1948, the Committee met and considered the replies received in response to the *questionnaire* and decided to tour the provinces. (The list of persons and institutions responding to our *questionnaire* is given in Appendix F). As the *questionnaire* addressed by the Committee was drafted on an overall approach to the agrarian problem of the country, it was difficult to get an idea of the problem in all its local variations and intricacies from the replies received. It was, therefore, necessary to collect data first-hand by local enquiry. It was also considered essential to get the reactions of the peasants to the proposed scheme of agrarian reforms.

Tours in the provinces.—Accordingly, the tour programme and panels of members visiting different provinces were drawn up. The Committee started its tour of the provinces on June 15, 1948 and began its work of recording oral evidence of witnesses in Central Provinces and Berar. The Committee visited Bombay, Assam, Bengal, Orissa, Bihar, Madras and the U.P. The Committee could not visit East Punjab, first due to the unsettled conditions on account of partition and later on due to the prolonged ministerial tangle. The Committee finished its tours in January, 1949. The itinerary of the Committee is appended to this report (Appendix D). The list of persons who deposed before the Committee as well as the villages where peasants were examined by the Committee is shown in the Appendix (Appendices E and H). The Committee could not finish its tours according to the time schedule on account of such unforeseen events as the Hyderabad situation, and floods of unprecedented magnitude in Bihar and U.P.

We may also point out that a complete verbatim record of the evidence of the witnesses examined by the Committee as well as of the examination of the peasants have been kept. In drafting the main report we have largely drawn upon these records and we feel sure that these would be of considerable use for detailed studies of problems in tenure, tenancy and agricultural conditions of the country.

Provisional decisions and the Report.—Soon after the tours, the Committee met in the last week of February, 1949, and in 10 sittings came to provisional conclusions on the issues to be dealt with in the report.

In the middle of May, 1949, the Committee again met and in course of 18 sittings considered the draft report and decided that the final draft should be prepared in the light of the suggested changes.

It was circulated to the members by the 10th of June, 1949. By the 30th of June the members submitted to the Chairman their remarks and notes, and the report was finally adopted by the second week of July. In all the Committee held five meetings and had 41 sittings. A chart showing the attendance of members in the meetings is appended (Appendix A).

Acknowledgement.—We take this opportunity of thanking the Provincial Governments for offering full co-operation in our work. We are grateful to them for contributing the sum of Rs. 45,000 (Rupees Five thousand each Provincial Government) towards the expenses of the Committee. A statement of expenses is shown in Appendix I.

We thank the All-India Congress Committee for giving accommodation to our office as well as assisting our staff in various ways.

Appreciation of services.—We desire to place on record our high appreciation of the services rendered by Shri K. Mitra, our colleague on this Committee, who functioned as its Secretary.

Our enquiry was country-wide including the multifarious phases of agriculture and allied interests. This called for a great amount of organisation and resourcefulness in collecting the data and a careful and intelligent study in collating them. When all this was done by our indefatigable Secretary and placed before the Committee at its session in February it came to tentative decisions. The draft report was drawn up by him on the basis of the decisions taken by the Committee and considered by the Committee at its session in May 1949.

But for his devotion, application and industry it would not have been possible to submit this report so soon after the provincial surveys were completed.

We also wish to express thanks to the staff who assisted the Secretary, specially the Assistant Secretary, Shri H. D. Malaviya and Shri P. H. Seshan, stenographer and general assistant. Shri Malaviya was of great help in organising the tours of the Committee and collection of data directly from the peasants. He showed great aptitude in keeping the

huge mass of records, documents and data collected by the Committee in such a shape as to be readily available for the reference of the Committee. He assisted the Secretary ably in running the Committee's office on a high standard of efficiency, and was of considerable help to the Secretary in drafting the Report.

Shri P. H. Seshan who was the only stenographer of the Committee, cheerfully put up long and inconvenient hours of work. His work as a stenographer was really of a very high order. He also worked as a general assistant and helped the Committee's work in the collection of factual and statistical data.

The Committee's thanks and warm appreciation are due to the services of Shri R. K. Nigam and Shri Sisir Kumar Gupta rendered as a labour of love in preparing some of the statistical tables which are incorporated in our Report.

Summary of Report of the Congress Agrarian Reforms Committee and its Recommendations

Plan of the Report:

The Committee's Report is divided into eleven chapters.

The first four chapters deal with the main problems of rights in land, the future pattern of agrarian economy and the place of co-operative farming therein, and the question of machinery of land management. Other chapters deal with problems of agricultural indebtedness, rural finance and marketing, agricultural labour, stabilisation of agricultural prices, agricultural improvements, agro-industries, rural welfare and agricultural statistics.

Recommendations :

Land Reforms.—The Committee feels that there cannot be any lasting improvement in agricultural production and efficiency without comprehensive reforms in the country's land system. The Congress in its election manifesto and the Report of the Economic Programme Committee has declared itself in favour of the elimination of all intermediaries between the State and the tiller. The Zamindari Abolition Bills in the various provinces which are in different stages of implementation, are a first step towards that objective. But even after the abolition of the zamindari, there would remain a large element of non-cultivating interests in land. The Committee is strongly of the opinion that in the agrarian economy of India there is no place for intermediaries and land must belong to the tiller, subject to conditions mentioned hereafter. The Committee has, therefore, recommended that, in future, subletting of land will be prohibited except in the case of widows, minors and other disabled persons. To cover the period of transition, however, the Committee has recommended a set of rights for the actual tillers who are themselves not owners of land. Those who have been cultivating land continuously for a period of six years should, in the opinion of the Committee, automatically get full occupancy rights. In case of others the Committee has recommended that the owner may have the option, up to a certain period, to resume the holdings for personal cultivation subject to certain well-defined conditions. [Only those who put in a minimum amount of physical labour and participate in actual agricultural operations would be deemed to cultivate land personally.] The owner will have the option to resume the holding to the extent to which it is necessary to make his self-cultivated holding economic. He can, however, resume more land, up to the maximum prescribed if thereby he does not reduce the tenant's holding below the economic. The Committee has also recommended that the tenant should have the right to purchase the holding at a reasonable price to be determined by regional Land Tribunal. The tenant should be assisted by a suitable financial

agency in purchasing the holding. The Committee has laid special emphasis on immediate prevention of all evictions and the preparation of record of rights by local Land Tribunals with which non-official opinion will be associated. All tenants, to whichever class they may belong, must be protected from rack-renting and illegal exactions. There will be provision for determination by Land Tribunal of reasonable rent as well for the commutation of rents in kind into cash.

Pattern of Agrarian Economy :

The existing pattern of agrarian economy is so complex and the problems which it has to face are so variegated that no single uniform method of land utilisation can meet the requirements of the situation. The Committee has, however, kept before itself some of the main principles which should govern the agrarian policy of the country.

- (i) The agrarian economy should provide an opportunity for the development of the farmer's personality,
- (ii) There should be no scope for exploitation of one class by another,
- (iii) There should be maximum efficiency of production,
- (iv) The scheme of reforms should be within the realm of practicability.

Though the Committee has recommended more than one type of farming, it has adhered to the principles laid down above. Thus, though there is a variety in form, there is unity in idea.

Size of Holdings :

The basis of differentiation in the types of farming which guided the Committee is mainly the size of holdings. For the purpose of analysis the Committee has evolved three norms of sizes of holdings—Basic, Economic and Optimum.

Economic Holdings :

The central concept is that of an Economic holding which should be determined according to the agronomic conditions of different regions, on the following principles :

- (i) It must afford a reasonable standard of living to the cultivator,
- (ii) It must provide full employment to a family of normal size and at least to a pair of bullocks.

Basic Holding :

The logic behind such differentiation is that holdings below the economic size demand a different approach and treatment, say that of rehabilitation. But the number and percentage of such holdings in India is so large that the task of rehabilitation of such a vast sector of

the agrarian economy would be beyond the organisational competence of the State. The Committee, therefore, has evolved the concept of a Basic Holding which will be smaller than the economic holding and to which the rehabilitation treatment may be given. [A basic holding is a holding smaller than which would be palpably uneconomic from the point of view of efficiency of agricultural operations. Thus, there will be between the Basic and the Economic Holdings a category which though uneconomic in the sense of being unable to provide a reasonable standard of living to the cultivator may not be inefficient for purposes of agricultural operations.]

Optimum Holding :

The Committee has also felt that there should be a ceiling to the size of holdings which any one farmer should own and cultivate. In the first place, the supply of land, in relation to the number of people seeking it, is so limited that not to put a ceiling on individual holdings would be irrational and unjust. Secondly, under the present technique of cultivation, the managerial capacity and financial resources of an average cultivator in India, the optimum size of a holding has to be fairly low. (The Committee has, therefore, recommended that the optimum size should be three times the size of the economic holding. Certain exceptions, however, have been allowed in cases of joint families and charitable institutions.

It is argued that the imposition of such ceilings to ownership in one sector of economy will create anomalies. The Committee, however, is competent to make recommendations only with regard to the agrarian economy but has every hope that a similar principle of distributive justice would be applied to other sectors of our economy.

Modes of Farming :

Family Farms.—The Committee has recommended restricted* form of family farming for holdings between the Basic and the Optimum sizes. It is decided to lower the limit of family farming below the Economic size in the hope that the provision of multipurpose co-operative facilities would reduce to a great extent the inefficiency involved in farming on such units.

Co-operative Joint Farming.—There is, however, a limit below which family farming even with all the co-operative aids implied in better farming ceases to be economic. The Committee has, therefore, recommended Co-operative Joint Farming for holdings below the basic size.

This, however, does not mean that all the below Basic Holdings in a village would be lumped into a single giant co-operative in which the cultivator may lose his individuality. A Co-operative Joint Farm can be formed, when-

* Ref. to section on Rights.

ever the requisite number of below basic holders come together and constitute a holding of the optimum size.

The Committee is convinced that without these co-operative moulds—Better Farming for family farms and Joint Farming for holdings below basic, the efficiency of agriculture cannot be substantially increased. It has, therefore, recommended that the State should be empowered to enforce the application of varying degrees of co-operation for different types of farming. Thus, while the family farmer (holder of a farm between the Basic and the Optimum) will have to make use of the multi-purpose co-operative society for marketing, credit, etc., the below-basic holder will have to cultivate his farm jointly with such other holders. The organisational and other difficulties involved in the implementation of the proposal, however, would necessitate its spread over a period of time. A beginning may be made in selected areas and its extension may be entrusted to specially trained persons under the planned direction and control of a Provincial Co-operative Farming Board. The gradualness of the programme, intelligent propaganda, liberal state-aid and its judicious implementation by a specially trained cadre would to a very great extent reduce the psychological hesitation of the farmer to take to the co-operative patterns recommended by the Committee. The Committee firmly believes that the agrarian traditions of this country are in favour and not against the Committee's recommendations.

Collective Farming.—The Committee has recommended the Collective type of farming on a portion of reclaimed lands where landless agricultural labourers would be settled. This will to a certain extent help in satisfying the land hunger of the landless labourers and give an opportunity to the State to test the economics of mechanised farming. In the initial stages the State will have to provide the necessary resources. The Committee is of the opinion that individual settlements should on no account be allowed on newly reclaimed lands.

With regard to the land above the ceiling to holdings, subject to the rights of the tenants, the same should be used for the purposes of co-operative joint farming whenever such land can be obtained in a big bloc. When such land is available in scattered bits, it may be used for making uneconomic holdings economic.

State Farming.—The Committee has also recommended the creation of state farms for the purpose of research and experimentation.

Rights in Land :

On the question of rights in land, the Committee is of the opinion that these should be shared between the community and the tiller. The idea of proprietorship in which the owner could use or misuse land as he likes is incongruous with the economic and social needs of our times. This, however, does not mean that the State should assume all the rights and authority leaving no scope for initiative on the part of the culti-

vator and for the development of his personality. The cultivator will have permanent, transferable and heritable right of cultivation subject to the following conditions :

- (1) that he does not sublet his holding ;
- (2) that he transfers his holding according to well-defined priorities laid down by the appropriate authority and at a price which is reasonable and not speculative ;
- (3) that he conforms to the test of good husbandry and the scheme of crop-planning proposed from time to time by the Land Commission.

The rights vested in the community are to be exercised by the Land Commission through agencies at different levels, the basic one being the Village Panchayat elected on adult franchise and proportional representation. The Panchayat will be in charge of all the common assets of the village e.g. the waste land, village sites, tanks, forests, etc. It will also be responsible for the collection of land rates from the cultivators.

Land Management :

The Committee strongly believes that the present system of administration pertaining to the various aspects of land use and management is very faulty. Though of late there have been some efforts at co-ordinating the work of departments concerned with the problems of the agrarian economy, the integrated outlook which is so necessary for a comprehensive solution of the problem is conspicuous by its absence. Secondly, the approach is still bureaucratic with its characteristic weakness of red-tapism and lack of sympathy. The Committee has, therefore, recommended a single and integrated machinery with regional units composed of different elements—officials, experts and representatives of the agricultural population with all the powers and responsibilities at present vested in various departments dealing with the problems of agrarian economy. The idea is to import a functional rather than a political approach in land administration. Maximum effort will have also to be made at decentralising the functions of this administrative machinery by devolving as much power as possible on the regional units.

At the apex of this machinery will be a Statutory Central Land Commission whose primary duty would be to evolve an all-India scheme of crop-planning and allocate scarce resources according to priorities. There will be Provincial Land Commissions with a wider range of function and responsibilities. The Provincial Land Commission will be assisted by a number of specialised Boards such as those for Rural Finance, Co-operative Farming, Wages Determination, etc. The Committee has also recommended the creation of a Rural Economic Civil Service for the execution of the Commission's work. There will be similar regional authorities in charge of a group of villages, the basic unit being the Village Panchayat.

Agricultural Indebtedness—Rural Finance and Marketing :

On the question of agricultural indebtedness, the Committee is of the opinion that for a large sector of the agrarian population the burden of indebtedness has not diminished in spite of high prices. It has, therefore, recommended compulsory scaling down of the debts on the basis of the paying capacity and the equity of the loans in case of farmers. In case of agricultural labourers, however, the Committee has recommended complete wiping out of all indebtedness. The Committee has wholeheartedly endorsed the schemes for compulsory registration and control of money-lenders.

The important question, however, is the provision of alternative credit at reasonable rates. For this the Committee has suggested that there should be a single agency in charge of all credits. The credit should be as far as possible controlled, functional and in kind and the fullest use should be made of multipurpose co-operatives for the purpose.

The main feature of the Committee's recommendation, however, is that lack of credit-worthiness should not come in the way of the cultivator in securing the essential requirements of farming. This has been the biggest impediment in the progress of institutional credit. The percentage of uncredit-worthy cultivators in India is so vast that any scheme of credit which confines itself to the so-called credit-worthy cultivators will only touch the fringe of the problem leaving the vast number to the mercy of money-lenders. The Committee recognises that the extension of credit to uncredit-worthy cultivators would ultimately amount to a scheme of subsidisation. But there seems to be no escape from such commitments. All such finance may be considered as a part of a scheme of rehabilitation.

According to the Committee, regulated market, multi-purpose co-operative societies, and licensed warehouses would be the major planks in the scheme of reforms of marketing and rural finance.

Agricultural Labour :

The Committee has laid great stress on the immediate amelioration of the conditions of agricultural labourers. It has found sufficient evidence of agrestic serfdom in many parts of India especially in Gujerat and Madras. Employment of such labour in the opinion of the Committee should immediately be made a cognizable offence. The Committee has also recommended an early implementation of the provisions of the Minimum Wages Act for agricultural labourers through Wage Boards. Provision of housing sites and prevention of ejection should be given top priority. The main problem of agricultural labourer is, however, unemployment and under employment which can be tackled only by a planned development of suitable agro-industries. To stimulate mobility of the labourers it will be necessary to establish Employ-

ment Bureaus whose functions would be to explore the opportunities of alternative employment and offer special facilities to labourers for migration.

State legislation alone, however, on all these questions will not produce the desired result. And the effort will have to be backed up by a strong trade union movement. There should be a separate trade union of landless labourers. But in order to be successful they should be in intimate touch with the organisation of urban labour.

Agricultural Price :

The Committee believes that the assurance of a reasonable income to the agriculturists through stabilisation of prices or a scheme of Crop Insurance is necessary for the success of agrarian reforms. It has, therefore, recommended that a technique should be evolved for maintaining parity between prices of agricultural and industrial commodities.

Agricultural Statistics :

The Committee has emphasized the need for the proper maintenance of agricultural statistics without which no sound policies of agricultural planning and development can be formulated. The point that needs to be noted is that the task of organising the statistics should be a joint effort of statisticians and agricultural economists.

Rural Welfare :

No agrarian reform will be complete unless it embraces the aggregate life of villagers. In a final chapter the Committee has, therefore, given a comprehensive plan for the organisation of rural welfare, some of the main ingredients of which are the provision of basic education with agriculture as the main craft, rural health organisation and the development of the Village Panchayat.

Agrarian Reforms Commissioner :

The Committee would request the Indian National Congress to look upon its set of recommendations not as isolated pieces but as a single integrated pattern. One can neither appreciate nor implement them in parts. Some of them are, no doubt, of a fundamental character. But fundamental problems can never be tackled by patch work reforms.

The implementation of the recommendations would require determination, drive and imagination. While the Committee is aware that the implementation of the reforms will naturally be gradual in character, Agrarian Reforms Commissioners with necessary powers should, however, be immediately appointed both at the Central and Provincial levels. There should be Provincial Commissioners charged with the task of quickening up the pace of the agrarian reforms in the Provinces and also a Central Commissioner to co-ordinate the reforms in the Provinces and to bring to the notice of the Central authority the obstacles in the way of such co-ordination and uniform progress.

CHAPTER I

The Pattern of Agrarian Economy

1. Behind the varied systems of land tenures, agricultural conditions and practices prevalent in the different provinces, the agrarian economy of India today presents a remarkably uniform picture of inefficiency, low productivity and small units of production.

2. Regarding the distribution of the agricultural holdings according to size we have prepared the following table on the basis of official data for some provinces and data collected by non-official agencies for other provinces. Though the data collected in the different provinces may have been based on different categories, yet they serve to indicate the smallness of holdings all over the country.

Percentage of families with different sizes of land holdings (in acres)

Province	Less than 2	2-5	5-10	10 & above
*Assam ⁽¹⁾ ...	38.9	27.4	21.1	12.6
Bihar ...	N.A.	N.A.	N.A.	N.A.
†Bombay ⁽²⁾ (Gujerat Districts)	27.5	25.7	22.3	24.5
(Deccan) ...	19.8	16.7	18.8	44.7
(Karnatak) ...	12.2	19.2	21.7	46.9
West Bengal ...	34.7	28.7	20.0	16.6
C. P. ⁽³⁾ ...	49.0	...	21.0	30.0
Orissa ...	50.0	27.0	13.0	10.0
Madras ...	51.0	31.0	7.0	11.0
U. P. ⁽⁴⁾ ...	55.8	25.4	12.8	6.0

*Based on a sample survey of 2,613 families in Darrang District, Assam.

†Based on a sample survey by Shri Sankpal, Director, Bureau of Economics and Statistics, Bombay.

(1) Size of the holdings in the original data were in bighas and the figures for converted groups of "Acs" are, therefore, only approximate.

(2) % of cultivators instead of % of families.

(3) Figures are based on information collected in 1938 ; % of tenants.

(4) % of cultivators.

Source :—In all cases except West Bengal the source is the Government. For West Bengal, data have been taken from the written reply of Prof. P. K. Roy, Professor of Economics, Bangabasi College, Calcutta. For undivided Bengal, please refer to Land Revenue Commission Report, Vol. II, Table 8 (b).

3. From the above table it is clear that the bulk of our agriculturists are small holders. It is also an admitted fact that there is not enough agricultural land to provide every cultivating family with an economic holding. Therefore, one of the most fundamental reforms should aim at the transference of the surplus population on land to non-agricultural pursuits. Unless this fundamental agrarian reform is given effect to, the reform of land tenure alone will be barren of any perceptible result so far as the standard of living of the peasant and agricultural efficiency are concerned. No doubt an improved agricultural technique, use of better seed, more manure and greater irrigational facilities are steps towards an efficient agrarian economy. But the fact is that unless the unit of production is also made sufficiently large, the farmer would not be in a position to get the full advantage of the reform of land tenure which might conduce to efficiency in agriculture.

4. **Capitalist Farming or Estate Farming.**—Capitalist or Estate Farming is very common in America and Great Britain. In India, there are also a few examples of Estate Farming, mostly in the tea, coffee and rubber plantations.* After the Indian War of Independence of 1857, attempts were made to build up a bulwark against future risings by settling retired British Civil and Military officers in the tea, coffee and rubber estates in the Himalayas and Nilgiris. Under special concessions lands were acquired and advances granted in the shape of seeds. Later on advantage was taken of these privileges by Indians as well. Indian and European colonists built up farms on large blocks in the irrigated regions of the Punjab, Sind and U.P. Some of these farms are still in operation. Sometimes waste-lands were leased and estates built up. Such estates may be divided into two categories :

- (1) Estates owned and operated by individuals or a syndicate or a joint stock company. On these local labour is employed on wage basis for all operations and the supervision staff of the superior cadre is provided by people from outside. Modern technique and the most improved variety of seeds and fertilisers are used. The owner or the manager lives on the estate and supervises the operations. This type is common in Deccan Sugarcane Estates and Tea Estates of the hills.
- (2) Estates owned by a single person or a corporation where lands are parcelled out to permanent or semi-permanent tenants who are helped to improve their position in agricultural operations, housing, education and health. Sir Daniel Hamilton's estate at Goshaba is an excellent example of such type of estates.

It is claimed in favour of capitalist farming that by the use of modern methods of production, it places land under conditions of maximum

*Thompson & Garrat—Rise and Fulfilment of British rule in India—page 474.

utilisation and provides fair wages and wholesome conditions of work to labourers.

Capitalist farming cannot be recommended as a general method of utilisation of agricultural resources because it would deprive the agriculturists of their rights in land, turn them into mere wage-earners and subject society to capitalist control in such a vital matter as supply of food. It would also create the problem of displaced personnel. It is suggested that if most of the processing of agricultural products is done on the farm itself and if by-products are used for suitable manufactures on the spot as is done at Walchandnagar and Ravalgaon, this problem of re-employing small holders can be alleviated considerably. But the main difficulty in the way of any great extension of such farms would be to find men with vision, sympathy and enterprise so necessary for such undertakings. As a matter of fact, the big zamindars, though possessing thousands of acres for their personal cultivation, have not in the course of these years, taken to this type of estate farming.

It becomes a different proposition, however, when new lands have to be reclaimed through investment of large capital resources, and the State is not in a position to provide such investment of capital and efficient management as can be provided by private enterprise. For reasons already mentioned we do not recommend Capitalist Farming as a general method of reclaiming and developing waste-lands. The Land Commission (described later) which would be in charge of land management and land utilisation may, however, at its discretion, permit such capitalist farming on limited lease basis and under suitable safeguards specially in the matter of wages and condition of work of the labourer.

5. State Farming.—Under this system, the farm is managed by Government officials and the agriculturists become wage-labourers. It is also preceded by complete nationalisation of land. State farms were developed on a large scale in Russia after the revolution.

Swidersky, the official historian, admitted in 1927 that four to five thousand state farms during the period of "War Communism" did not produce enough food for their own consumption and for feeding the live-stock. Stalin himself addressing the Central Committee of the Party on January 7, 1933, admitted that only a few state farms paid their way through. To use this method of land utilisation in our country, all lands would have to be nationalised and managed by bureaucrats. This would mean mechanisation on a very big scale resulting in large-scale unemployment.

In view of the Russian experience of State Farming and the peculiar conditions under which we have to mould the pattern of agrarian economy in our country we do not recommend State Farming as a general method of land utilisation. State farming should be carried on only for purposes of experiment and research, even if it be at a loss.

The Rural Reconstruction Commission of Australia thus observes on State farms as a method of land utilisation* :

“ In most cases the recognised State farms in Australia are not intended primarily as production units of the ordinary type but are more concerned with experimental and demonstrational work associated with research and adoption of new methods. It is true that their produce is often sold but it is, for the most part, specially produced in readily obtainable form from other sources, e.g., specially pure seed or seed of new varieties of plants (especially cereals) and stud stock. There have been one or two instances where states have endeavoured to run farms solely for the purpose of supplying to the ordinary market ; such ventures have seldom, if ever, proved successful. In other countries the experience has generally been the same, namely, farms which perform a specific service for an industry are often successful (namely the Danish Farm which rear heifer calves for dairy farmers) ; those with the sole objective of maintaining supplies are seldom unqualified successes.”

The existing State farms in India for research and demonstration have not yielded the results hoped for. Peasants have not derived as much advantage from these researches as expected.¹ Instead of increasing the number of such State farms, we recommend that for demonstration purposes there should be less and less reliance on State farming ; demonstration of improved methods of cultivation and technique should be as far as possible on the plots of the agriculturists themselves.

State farming of some limited degree may be necessary when wastelands are reclaimed and agricultural labourers are settled thereon. The agricultural labourers being unable to provide the requisite managerial capacity in the beginning must be assisted by State personnel, supervision and direction. But as the agricultural labourers become trained in the art of management and direction, State control and supervision should be withdrawn and the farm turned into a collective farm.

6. Collective Farming.—Under a collective farm, the ownership of all lands, stock and capital vests in the community as a whole. Of course, individual members are allowed to occupy and use small homesteads separately for keeping live-stock and growing vegetables for domestic use. Cultivation is carried on the whole farm as one unit of organisation, under a management elected from among the members. The Board of Management chalks out the programme of work, directs and supervises agricultural operations, organises credit, finance and marketing. The profits of the farm may be divided in a number of ways according to the amount and quality of work with special rewards for efficiency. While the means of production are collectively owned and utilised the incen-

* Third Report—Land Utilisation and Farm Settlement, page 111.

tive of economic reward for such work done by an individual is to a great extent retained.

Collective Farming as a general method of utilising our agricultural resources must be considered with the background and a proper perspective of the Russian experience, taking into account the genius of Indian agriculture and the peculiarity of the whole economy of this country. In the U.S.S.R. even after a bloody revolution and establishment of a dictatorship, Lenin had to go slow with this experiment. A decade after the Revolution, Stalin had to admonish the enthusiasts of collectivisation in his famous article "Dizzy with success". In fact, the New Economic Policy, great resistance by the Russian peasants and the gradualness in the matter of introducing collective farming in spite of dictatorial control over the economic system—are factors which may not be lightly set aside. Besides, huge collectives completely subordinated to the control of the technicians can hardly provide the atmosphere in which the personality of the individual can grow and develop.

We do recognise the desirability of some experiments in collective farming on reclaimed waste-lands where the sense of ownership is non-existent and mechanisation of agricultural operations may be indispensable. Collective farming under such conditions may not also lead to any loss of personal freedom and incentive to production. The agricultural labourers who should be settled on such collective farms may not have acquired that attachment to land which every peasant has, however small might be his holding. On the other hand, the collective farm would improve their lot inasmuch as they would get higher wages, a share in the management as well as the profits of the farm.

7. Collective Farms in Mexico—the Ejido.—The Ejidos, or new land settlements were first formed in Mexico under the agrarian reforms of 1915.

The Ejidos are the natural off-spring of the agrarian discontent of landless labourers in a country of large-scale capitalist farming. In 1930, in Mexico, out of a population of 3.6 million on agriculture, 2.5 million were landless.

In 1936, Lazare Cardenas, the President, passed laws known as the Agrarian Code under which 221 Ejidos were formed forthwith. In the Laguna region alone over 3 lakh acres of farming land and 5 lakh acres of unimproved land were distributed among 32,000 farmers. By 1940 there were 15,000 Ejidos with a total area of 624 lakh acres settled with over 14 lakh peasants. It has been estimated that one-third of the Ejidos, i.e. about 5,000 were collectivised and others were distributed in individual holdings. But land in every group was held in common possession.

The establishment of Ejidos is on a voluntary basis. At least 20 eligible peasants must in the first instance form into a group and apply for land. Acquisition and settlement of land is on a collective basis and

the members may decide to cultivate either individually or collectively. The administration is in the hands of two committees elected by a general assembly of the members each consisting of three members and three alternates. One of these is the executive committee which elects from among its members the President who is the Executive head of the Ejido. The other committee has supervisory functions. Important administrative officers are elected by the general assembly, the most important among them being the work-chief who assigns work to each member and supervises its execution.

The Ejidos are supervised by higher agencies. This is necessary because roughly about 73% of the members of these Ejidos are illiterate and have no experience of management and organisation.

The income of the collective Ejido is distributed in the form of wages on a daily or piece rate basis or as a share of the profit. Wages are determined on the basis of quantity and the quality of work. The sharing of profit is in proportion to the hours of work. While production is collectively done, life remains largely individualistic.

Regarding the collective farming of the Ejido variety we can only say that it may be experimented on surplus lands to be acquired from large individual holdings as well as on reclaimed waste-lands. For reasons already advanced in case of collective farming of the Russian variety we do not consider the collective farming of the Mexican type is of much use as a general method of land utilisation.

8. Co-operative Farming in Palestine.—The Kvitza or the Jewish communal farm in Palestine is a more radical social experiment than the collective farm in the U.S.S.R. Being completely a communal organisation of life, the Kvitza resembles very closely the Soviet Communes. There is no private property in land. The Kvitza itself holds land on lease from the National Fund. It differs from the Soviet Commune in that it exists in the framework of an essentially capitalist society.

The Kvitza is administered by a committee of management elected annually by the general meeting. There are special committees for such departments as education, health, culture, and distribution of work.

The most striking feature of the Kvitza is the absence of any individual economic reward ; the basic principle behind the distribution of income is not according to ability but according to needs.

The Kvitza represents a degree of idealism which does not find a parallel under the existing conditions in India. Pursued by perpetual and universal discrimination, the Jewish youth tried to carve out a home for Zionism. Such conditions do not prevail among our agriculturists. We, therefore, do not propose that any experiment on this line should be tried.

9. Individual farming assisted by co-operative better farming societies.—Both capitalist farming and collective farming have the advantages of carrying on agricultural operations on large units of production. We have noted the difficulties of introducing either capitalist farming or collective farming as a general method of land utilisation in our country. This type of farming which is carried on in Holland and Denmark assisted by Co-operative organisation of all agricultural operations except farming has much to commend itself. It combines to a great extent the virtues of individualistic farming, namely, the full impact of the creative personality of the peasant, with the advantage of large-scale operation through co-operative organisation in the use of costly modern machines, expert advice, purchase of raw materials and sale of output.

The intensive peasant farming of China and Japan with a remarkably high gross yield per acre has not a few advocates in our country. But, it has been universally admitted that peasant farming in China as well as in Japan is characterised by heavy physical labour of small farmers. In China many a farmer does the work even of animals because human labour is cheaper than animal labour.

10. The Objectives of Agrarian Economy.—Before settling the details of the future pattern of agrarian economy of India we set before ourselves some of the main principles which, according to us, the suggested agrarian economy must satisfy to produce desirable results :

- (a) the agrarian economy should provide opportunity for the development of individual's personality ;
 - (b) there should be no exploitation ;
 - (c) there should be maximum efficiency of production ;
- and (d) the scheme of agrarian reforms should be practicable.

In making our recommendations we assume that the present system of land tenure would be replaced by a new scheme of rights in land (which we discuss in the next chapter). Unless the agrarian economy satisfies all the principles laid down, it may yet be uneconomic or exploitative or impracticable. While capitalist farming may lead to maximum efficiency of production it may lead to exploitation and may suppress individual's personality, and may not be practicable because of the resistance of the small land-owning peasantry. The introduction of collective farming may eliminate exploitation and may improve the efficiency of production but the individual peasant may find himself lost in the huge organisation of the collective dominated by the technicians. He may be no better than a cog in the machine. It may also lead to an agrarian revolt. We have already noted how collective farming was resisted by the Russian peasants and how even the Revolutionary Government found it difficult to cope with the situation. Resistance may be stiffer in India, because the ownership in land is much more universal than in the case of Russia and

the Government being democratically constituted may find it much more difficult to tackle such resistance from the small peasant.

Our population is made up of persons in various stages of social advancement. To meet the requirements of these sections our schemes have to be variegated. No single system will serve our purpose. We, therefore, recommend an agrarian pattern which would strike the golden mean among all these four principles.

12. Individual Peasant Farming.—We are of the opinion that peasant farming, on suitable units of cultivation under a properly determined scheme of rights in land, would satisfy the agrarian tradition of our land, the psychology of the peasantry as well as the agricultural needs of the nation. Operating on units which are not palpably uneconomic and assisted by a co-operative organisation at least of credit and sale, the Indian farmer, whose skill has earned universal approbation, will find in agriculture full scope for the exercise of his initiative, enterprise as well as incentive to production. Such peasant farming will also hold its own against large-scale units of cultivation so far as output is concerned. As individual peasant farming must be carried on suitable units of production, we proceed to define the limits within which such peasant farming should be carried on.

13. Economic Holding.—There have been various estimates regarding the size of an economic holding. The Provincial Governments in their replies to our *questionnaire* have suggested different sizes for different provinces. It is but common ground that an economic holding must vary according to the agronomic conditions, agricultural technique, and the standard of living to be satisfied. With the data at our disposal we are not in a position to lay down any exact size of an economic holding for different provinces. This is possible only on the basis of an exhaustive enquiry and comprehensive data about family budgets, soil-condition and the nature of cultivation in different parts of the country. We, therefore, recommend that an economic holding should be determined regionally by an appropriate authority according to the following principles :

- (1) it must afford a reasonable standard of living,
- (2) it must provide full employment to a family of normal size and at least a pair of good bullocks,
- (3) it must have a bearing on other relevant factors peculiar to the agrarian economy of the region.

14. Basic Holding.—Below the economic holding there would be a number of holdings which are not so small as to be palpably uneconomic and still other holdings which are tiny in size and are palpably uneconomic.* There is a group of holdings which stands in between the latter two categories and may be termed the Basic Holding. Though such a classification may not

* Please refer to Chapter III on "Co-operative Farming".

be precise, we can only say that a basic holding would be smaller than an economic holding but is not palpably uneconomic and would be capable of being built up by acquisition or otherwise into an economic holding.

We recommend that on holdings—basic and above, but below the economic, farming may be done on individualistic lines. But if only efficiency of production is considered, individual farming on such holdings might not be allowed. On sociological grounds, however, which are sometimes weightier than pure economic considerations in formulation of economic policy, we recommend individual farming on these holdings. In coming to this conclusion we are also guided by our faith in the efficiency of the co-operative organisation for better farming, which, according to our recommendations, should in course of time apply to all individual farms, big or small.

Individual farming may be carried on holdings not smaller than the basic holding but, as we have already pointed out, in Holland and Denmark the best result is produced when individual farming is assisted by co-operative organisation. Farming is done on an individualistic basis but other operations are done co-operatively. We recommend that in India to achieve maximum efficiency of production as well as individual freedom there should be a multipurpose co-operative in every village or group of villages, the membership of which would ultimately come to be compulsory for all farmers carrying on cultivation either individually or jointly or collectively.

15. Maximum holding.—For individual farming, as there is a lower limit there should be an upper limit too. We feel that to avoid social injustice there should be a reasonable relation between the economic holding and the maximum size of a holding which an individual peasant can be allowed to cultivate.

While recommending a ceiling to individual ownership of land, we feel that the Indian National Congress should immediately appoint committees to consider the question of fixing the maximum limits of income in other sectors of our economic life.

Very large holdings could be properly worked, managed and supervised by the owner himself only when they are mechanised. We have already pointed out the social evils of mechanised capitalist farming. As in other sectors of national economy, namely, commerce and industry, so in agriculture, an individual can have a high level of income only through exploitation. Besides, the optimum size of the farm is related to the technique used and as our effort should be to find gainful employment for as many as possible on land till industries develop to absorb the surplus population, the technique which may generally be used in agriculture is only better ploughs and bullocks with occasional assistance of tractors and other mechanical devices wherever needed. We feel that with bullock and plough technique the optimum unit in the

interest of proper management by the owner-cultivator should not be more than three times the economic holding. It is also difficult to say with certainty if mechanised large-scale farming is more efficient, from the point of productivity, than peasant farming on economic holdings assisted by co-operative better farming society.

In this connection the following statistical data* will be found of interest :

Denmark

<i>Size of holding</i>				<i>Gross return per acre</i>			<i>Net return per acre</i>		
				<i>£</i>	<i>s.</i>	<i>d.</i>	<i>£</i>	<i>s.</i>	<i>d.</i>
Under 25 acres	...	...	...	20	1	0	2	11	0
25 to 50 acres	...	...	...	15	4	0	3	8	0
50 to 75 acres	...	...	...	15	3	0	3	13	0
75 to 100 acres	...	...	...	13	18	0	3	14	0
100 to 250 acres	...	...	...	12	8	0	3	3	0
Over 250 acres	...	...	...	12	4	0	3	0	0

U. S. A.

				<i>40 acre holding</i>		<i>80 acre holding</i>	
Output per acre	...	...	...	\$ 54		\$ 48	

Switzerland

<i>Size of holding</i>		<i>Acres</i>														
		<i>7½-12½</i>	<i>12½-25</i>	<i>25-37½</i>	<i>37½-75</i>	<i>Above 75</i>										
		<i>£</i>	<i>s.</i>	<i>d.</i>	<i>£</i>	<i>s.</i>	<i>d.</i>	<i>£</i>	<i>s.</i>	<i>d.</i>	<i>£</i>	<i>s.</i>	<i>d.</i>			
Output per acre	...	22	11	7	19	0	3	17	17	2	16	2	3	13	17	7
Net Balance per acre	...	3	16	6	4	14	9	5	8	3	5	1	2	4	5	9

England†

<i>Group</i>				<i>Production per acre</i>		
				<i>£</i>	<i>s.</i>	<i>d.</i>
1 to 50 acres	...	...	...	11	19	9
50 to 100 "	...	...	...	9	19	2
100 to 150 "	...	...	...	7	19	1
150 to 250 "	...	...	...	7	5	8
Above 250 "	...	...	...	8	4	4

*Economics of Agriculture by A. P. Van Der Post—pp. 170-172.

†*Ibid*—page 175.

Besides the personnel with proper vision and capacity of leadership may not be plentiful for the most efficient utilisation of such big land holdings. In other countries too similar difficulties have been felt.¹

The amount of capital which may be necessary for the proper development of these big holdings may not be forthcoming from the owners of such holdings..

The Zamindari Abolition Committee appointed by the Government of U.P. considered the question of fixing a ceiling to the land holdings on the basis of 50 acres as the maximum holding. The Committee recommended against fixing any ceiling because the surplus land available would be 2.5 million acres out of a total holding area of 41.3 million acres, i.e. about 6% and would be inadequate for the purpose of making uneconomic holdings economic. The Famine Enquiry Commission were against fixing any ceiling to individual holdings almost on similar grounds.† It is also argued that if big holdings are split up the marketable surplus of grain would diminish.

As we do not recommend that the surplus land acquired should be generally used for the purpose of making uneconomic holdings economic and according to us should be, subject to the rights of the tenants, used for the purpose of co-operative joint farming, the arguments of the Zamindari Abolition Committee of U.P., that very few holdings could be made economic with this redistribution of land as well as the apprehension that marketable surplus of grain would fall, lose much of their force and basis.

We, therefore, recommend that very large holdings should not continue. A ceiling to land holdings should be fixed and according to our considered views it should not be more than three times the size of the economic holding. The surplus above the maximum should be acquired by the appropriate authority under the Land Commission (described in Chapter IV) on payment of compensation at graduated multiples of the assessment to be determined by an impartial Tribunal.

16. Joint Family.—While fixing the maximum for a joint family, the claims of all the branches constituting the joint family should be considered, provided an adult member of each branch puts in some amount of minimum manual labour in cultivation. Unless this consideration is shown to a joint family while fixing the maximum holding there would be a splitting up of the joint family which latter we consider to be a valuable social institution of India which ought not to be discarded.

¹The Australian Rural Reconstruction Commission observes :

" The management of very large units of production requires great skill and judgment and not very many farmers are capable of exercising those qualities to that extent."

(The Rural Reconstruction Commission—3rd Report—Land Utilisation and Farm Settlement—page 110).

† Report of the Famine Enquiry Commission 1945—page 274.

17. Charitable Institutions.—We are aware of the services which are being rendered by the numerous religious and charitable institutions out of the income of the endowments in lands, to the cause of culture, education and human progress. We, therefore, feel that our recommendation regarding fixation of ceiling to land holdings should be applied to the lands held by such institutions under the following conditions :

The management of land at present under religious, charitable and educational institutions should be made over to the Land Commission. If there are any inams and trusts where the persons are themselves cultivators, these may be retained in conformity with our general scheme of land management and ownership as long as they render the service required of them under the inam or trust.

We recommend that the Provincial Governments or the appropriate authority should guarantee and provide the income necessary for the fulfilment of the objectives of the trust.*

18. We recommend the following priority in respect of disposal of the surplus land :

- (i) Co-operative Joint Farms with landless labourers to be organised ;
- (ii) To be sold out to uneconomic holders.

19. Co-operative Farming.—Individual farming, however, should not be allowed on holdings which are smaller than basic holdings. They should be in course of time brought under a scheme of co-operative joint farming.

We have carefully considered how compulsory co-operative joint farming could be avoided and the same result attained through compulsory co-operative better farming in case of below basic holding. It is a well-attested fact in co-operative movement that co-operation does not work in the midst of utter poverty and destitution. A certain margin of resources is essential to the proper functioning of co-operative better farming. We have noted earlier that co-operative better farming has achieved excellent results in Holland and Denmark where, according to Van Der Post,** any holding less than 25 acres is at a serious disadvantage and is not an economic unit.

Of course, the scheme of compulsory joint farming would involve an amount of coercion. But we must also consider that by the judicious exercise of coercion by persons with proper perspective, the edge of unpleasantness involved in coercion can be greatly taken off.

*See Shri O. P. Ramaswamy Reddiar's note on Religious and Charitable Institutions appended to this Chapter.

**Economics of Agriculture—page 170.

In suggesting co-operative organisation of agriculture we have kept before ourselves two types of co-operative farming.

- (1) Co-operative Better Farming.
and (2) Co-operative Joint Farming.

In Co-operative Better Farming, the individual farmers perform on co-operative basis all operations of agriculture except farming.

In case of co-operative joint farming, however, lands, implements and bullocks will have to be pooled in the co-operative society. While in the former individual freedom and therefore incentive would be much more than in the latter, yet in the co-operative joint farming society the sense of ownership of the cultivating rights in land, though reduced, would not be altogether absent. In this respect, co-operative joint farm is quite distinct from the collective farm. Farmers pooling their resources namely, land, implements and bullocks, in the joint farm would be paid wages according to the labour they put in the farm and also a portion of profits in proportion to the shares representing the capitalised value of the resources pooled by them.

Besides, to minimise the odium of coercion and to maximise the sense of individual freedom we recommend that the farmers whose holdings are smaller than the basic may not be pooled into a single giant farm but may be allowed voluntarily to join in any co-operative joint farm up to the size of the maximum holding which we have put at three times the economic holding. The idea is that the management of such a co-operative should be within the capacity of the farmers and they may not be reduced to mere automatons in the whole frame-work. The democratic control would be maintained effectively. We, however, contemplate that as the farmers would be trained in the art of management and the co-operative spirit becomes more ingrained among them through co-operative education, these small co-operatives would be integrated into bigger co-operatives reaping the full benefit of large-scale farming till they reach the optimum size of the farm from the point of view of technique as well as co-operative consciousness of the members.

The Better Farming Society of which all cultivators of a particular region must be members without any exception would be a much bigger organisation than the co-operative joint farms. Because, here we have the prospect of finding men with better equipment and better capacity of management. The holders of optimum farms and economic holdings, having had better opportunities and higher traditions, would be able to guide the management and organisation of such co-operatives. We visualise that all operations in course of time, but credit and marketing immediately, would be made compulsory. The hardships which may be apprehended under such arrangements are more imaginary than real. If there be any curbing of the individual's personality, it is essential in the interests of the society. The co-operative organisation alone can strike a

balance between the claims of the individual and those of the community. The society has outgrown the stage of production merely for profit and it is not yet ripe for an organisation of production for use. We, therefore, suggest that by and large the society must pass through a period of transition before a just social order can be established in which man produces for use and competition is replaced by co-operation.

20. Collective Farming on Reclaimed Waste Land.—We have not, in the meanwhile, ruled out the possibility of creating new social values as well as of testing the economy of mechanised farming. We recommend that on reclaimed waste lands, collective farms with landless labourers should be organised and should not be settled with individuals either for peasant farming, as is being done in some provinces, or capitalist farming. The landless labourers have no tradition of individual farming. On reclaimed waste lands sense of ownership also would not have developed. Therefore, in a collective farm of landless labourers on reclaimed waste lands neither would there be any suppression of individual freedom nor any loss of incentive to production.

The collective farms will be much bigger in size than the co-operative joint farms because the management and organisation will be provided by the State to a great extent in the beginning. As the capacity for management of these landless farmers develop and grow with their taking greater and greater share in the management, the control will be transferred to the management of the landless labourers.

21. Within ten to fifteen years, 18.7 million acres of land are expected to be irrigated by the multi-purpose projects (statement overleaf). With a little effort co-operative joint farms could be organised on these lands. There might also be experiments side by side of peasant farming on economic units, co-operative joint-farming and collective-farming.

22. We also recommend State farming for the purpose of research and experimentation. Being conscious of the evils of bureaucratisation and extreme centralisation involved in State farming we circumscribe state farming to the minimum limits and not favour State farming as a method of exploitation of the agricultural resources of the country.

23. The pattern of agrarian economy which we visualise is a rationalised composite one of individual farming assisted by co-operative organisation, co-operative joint farming, collective and state farming. Each type of farming has a contribution to make in this period of transition of Indian farming and should be given proper facilities for growth and development.

24. In the meanwhile, intensive efforts must be made to develop and organise village industries connected with agriculture on co-operative basis to eliminate unemployment and under-employment characteristic of our agrarian economy. Equilibrium in agriculture can be restored by the recon-

MULTI-PURPOSE PROJECTS†

Name of Project	Province or State	Area which the project is expected to irrigate (in acres)	Remarks
1. *Damodar Valley Project ...	W. Bengal & Bihar	9,67,117	
2. Hirakund Dam Project ...	Orissa	11,00,000	
3. Kosi Dam Project ...	Nepal & Bihar	30,00,000	
4. Rihand Dam Project ...	U.P.	20,00,000	This area is expected to be irrigated from the regulated discharge which will be available in the Sone river after the construction of the Dam.
5. Rampadasagar Project ...	Madras	23,50,000	21 lac acres improvement in existing irrigation.
6. Tungabhadra Project ...	Madras	2,94,000	
7. Chambal Reservoir Project ...	Kota, Indore Marwar	1,85,000	
Narbada Projects.—			
8. Bargi ...	C.P.	12,60,000	
9. Tawa ...	C.P.	7,00,000	
10. Pickup Weir below Raj Pipla Gorge ...	Bombay and Baroda	6,30,000	
Tapti Projects.—			
11. Hatnur ...	Bombay	3,00,000	
12. Panjhan ...	Bombay	2,50,000	
13. Ikai ...	Bombay	4,20,000	

stitution of our agrarian pattern as well as by the balanced development of other sectors of our economy. The *per capita* income of the agrarian population as well as of the masses of India can never be raised simply by reconstitution of the agrarian pattern. It is doubtful if this reconstituted agrarian pattern will continue for any length of time if the whole economy is overweighed by factors leading to disequilibrium. There should be redistribution of population in different sectors of economy. The following table will give some idea about the redistribution of populations in different occupations to be aimed at in this planning of the agrarian pattern as well as of the Indian economy.**

†Foodgrains Policy Committee—Final Report.

*Shri P. P. Varma, Member, Damodar Valley Corporation.

**Economics of 1960 by Colin Clark, M.A.

Years	Percentage Distribution of Working Population			Real Income Produced per 2500 Hours I. U.		
	Primary	Secondary	Tertiary	Primary indexes given in C.E.P. pp. 253, 255	Secondary indexes given in C.E.P. pp. 283, 287 289, 290	Tertiary deduced from previous Columns
U.S.A.						
1937	25.4	28.8	45.3	701	1852	2765
1925-34	24.0	30.2	45.8	661	1560	2276
1920	26.7	33.2	40.1	547	1050	2275
1910	31.9	31.0	37.1	477	940	2446
1900	37.4	29.0	33.6	483	787	2625
1890	42.6	27.3	30.1	385	746	2340
1880	49.7	25.4	25.1	361	599	2320
1870	53.8	22.6	23.6	258	515	2252
Gr. Britain						
1936	4.9	42.0	53.1	475	815	1775
1925-34	6.4	43.9	49.7	408	651	1738
1924	7.1	47.6	45.3	385	615	1688
1907	8.0	46.0	46.0	376	472	1541
1901	8.4	46.3	45.3	378	446	1463
1891	10.2	43.8	46.0	358	432	1229
1881	11.3	43.9	44.8	324	418	1139
1871	14.1	44.4	41.5	284	349	855
France						
1925-34	24.5	40.0	35.5	415	584	1115
1861	43.0	38.0	19.0	138 ×	161	1015

25. It would be premature at this stage to decide in favour of any particular pattern of agrarian economy. Only by experimentation and observation can we evolve—maybe after a quarter of a century—the type of farming which should be the ruling pattern of agrarian economy of the country. Simultaneously, science should bring within our reach the results of increasing knowledge and agricultural practices here and abroad, the fruits of better technology. Only then the country would be in a position to settle down to an agrarian pattern rich with the experience of farming, the knowledge of science and technology developed through practical experience suited to our genius, tradition and the people.

× Deduced by comparing current value of net output with British assuming similar price levels to obtain.

Religious and Charitable Institutions

(A Note by Shri O. P. Ramaswamy Reddiar)

There are a vast number of religious, charitable and educational institutions scattered all over the country discharging very useful functions in society. For example, there are nearly 27,000 Hindu temples, large and small, in South India. These temples have not only served as places of religious worship but also have catered to cultural, educational and social needs of society as a whole. By running *Veda Pathashalas*, schools and in some cases even universities these institutions have contributed a great deal to the educational and cultural progress of the society. They have maintained dispensaries and hospitals to give free medical aid to the poor. Attached to these institutions are many orphanages. The temples have also served to preserve many of our fine arts such as sculpture and painting. By holding annual and seasonal fairs and festivals they have served for the growth and development of local industries. A close student would find that these temples formed the very centre of activity of the entire society.

In addition to the temples there are a vast number of religious and charitable institutions known as *mutts*. Their main purpose has been the propagation of the various philosophies of Hindu religion. In addition to that these institutions have contributed a great deal to the educational and cultural growth and development.

In ancient days kings and private citizens had endowed large tracts of cultivable land and created trusts in favour of these institutions in view of their useful service to the society.* These institutions mainly depend upon the income from these lands owned by them for their maintenance and working.

Similarly there are a number of Christian institutions, Churches and Missionary institutions devoted to the service of the people. Leaving apart their religious activities, many of these institutions have been doing pioneer work in the educational field. Many of the colleges are being run very efficiently by these Christian institutions. They have also distinguished themselves in the free medical service of the poor. Many orphanages are under their care and protection. These institutions also possess agricultural lands, the income from which goes towards their maintenance and working.

There are many such religious trusts belonging to Muslim religious institutions also.

The question naturally arises whether in the application of the principles laid down in the report regarding the maximum holding and rights in land any distinction should be made between the lands belong-

*It would be interesting to find that even Muslim Kings had made great and valuable endowments in favour of Hindu temples and *mutts*.

ing to individuals and lands belonging to these religious and charitable institutions. While it is true that at present many of these institutions are not functioning properly and require thorough overhauling, they should not be allowed to perish. Most of these institutions mainly depend upon the income from the lands and once this source of income is taken away they can no longer function effectively and efficiently. In the very nature of things these institutions have to cultivate the lands only through tenants.

Considering the fact that these institutions stand on a different footing altogether, the ceiling of land holding and the principles that no non-cultivator should own any interest in land should not be applied to lands belonging to and owned by these institutions.

There are mainly three types of interests owned by these institutions in South India :

- (1) *Melwaram right* : The right to collect the rent from the tenant-cultivators akin to Zamindari rights,
- (2) *Melwaram and Kudiwaram right* : The land including the cultivation right belongs to the institution,
- (3) *Minor Inams* : The land including the cultivation right belongs to the institution subject to payment of a quit rent.

In respect of the first category this right should be taken away by the State as in the case of the Zamindars and the institution should be compensated by the payment of the income by the State and this should be made a charge on the revenues of the States.

As far as categories (2) and (3) are concerned, the rights of institutions in these lands should not be disturbed. The actual cultivation of the lands should be carried out by the adoption of the "Capitalist Farming" method set out in Chapter I of this Report.

If, however, the land and the rent-receiving rights enjoyed by the religious and charitable institutions are taken over by the provincial government or the appropriate authority of the Land Commission, the provincial government or the appropriate authority should assure the income in cash or grains to the institutions for the due discharge of the functions, which are being carried out by these institutions today.

CHAPTER II

Rights in Land

26. In the overall scheme of agrarian reforms while the method of utilisation of agricultural resources is of fundamental importance, no less important are the quantum of rights which an individual peasant should possess in land and the determination of the exact nature of social control under which those rights should be enjoyed as well as the organisation of a suitable agency through which such control might be administered.

Before we get down to the discussion of the new scheme of rights in land, we propose to trace in brief the evolution of the main types of land tenures prevalent in India. This would help understand that the scheme of rights we recommend is but a renaissance in land system of this ancient country and not a revolutionary departure from its agrarian traditions.

In India, there are three types of land tenures—zamindari, mahalwari and ryotwari. As the East India Company's political supremacy spread from one part of the country to the other, a fiscal system was evolved through which revenues could be procured to maintain its political supremacy. The evolution was a simple matter. It had to meander through a net work of customs and usages. Governed by the dominant motive of maximum collection of revenue from land, the Company officials proceeded on the line of least resistance. Sometimes customs and usages were recognised; or they were given a go-by whenever they clashed with the governing aim of collecting the maximum amount of revenue.

27. **Permanent Settlement.**—The East India Company in the beginning farmed out revenues to old zamindars and chiefs in Bengal, Bihar and Orissa. Warren Hastings tried temporary and short-term settlements with disastrous results. Ultimately, Lord Cornwallis introduced the scheme of permanent settlement. He was very much influenced by his English experience. His idea was to create in permanently-settled areas a beneficent landlord capitalist system resting on the contentment of the cultivator. The assessment was fixed at about 10/11 of what the zamindars received as rents from ryots, the balance of 1/11th constituting the zamindar's remuneration. The revenue liability was fixed in a rough and ready manner without any survey of landed rights and interests of any investigation into the productive capacity of the different classes of soils. Till 1859 no attempts worth considering were made to grant protection to the cultivator by means of legislation.

The Directors of the East India Company, however, were satisfied because of the regular collection of revenues from Bengal under the per-

manent settlement. So steps were taken to extend permanent settlement to Banaras, North Madras and certain parts of South India.

The Lieut.-Governor of Bengal, however, speaking before the Legislative Council in 1883 on the working of Permanent Settlement observed: "In the interval of 66 years i.e. 1793 to 1859, while the proprietary body grew in strength and prospered in wealth, *village communities perished*. The Pargana-rates, by which the assessment of the resident cultivators' rent was limited, disappeared and almost every vestige of the constitutional claims of the peasantry (if ever such existed beyond a small privileged class) was lost in the usurpations and encroachments of the landlords."

As early as 1808 the authorities became doubtful about the extension of permanent settlement to the new territories which were being conquered. The main consideration being the collection of maximum net revenue, the idea of permanent fixation of state's demand did not find favour with the court of Directors. As a matter of fact the Government of the Punjab opposed vigorously the system of permanent settlement on the ground that the Punjab was still undeveloped and it would be wrong to fix up permanently state's share in view of its great possibilities of development in the future.* Finally in 1883 the Secretary of State for India wrote to the Governor-General of India directing that the policy of permanent settlement should be formally abandoned.

28. Mahalwari System.—The principles of Mahalwari or joint village system first adopted in Agra and Oudh and later extended to the Punjab were laid down in Regulation IX of 1833. Under this scheme the villages concerned were units by themselves, the ownership of property was joint or communal. These villages or Mahals were settled with directly, though a co-sharer of standing was generally selected to undertake the primary liability of paying land revenue. Under this system the details regarding procedure, period of settlement and assessment of land revenue vary from place to place.

In the C. P. the system of settlement closely resembles the Agra Mahalwari system. The significant difference, however, is that the State has recognised the Malguzars—the old revenue farmers under the Maharattas—as heads of village with proprietary rights.

Though the original intention in the Mahalwari system was to recognise the joint character of the village communities and common rights in land, the ultimate effect has been a break-up of the village community and the clash of interests due to unco-ordinated individualism.

29. Ryotwari System.—It was first introduced in the districts of Bara Mahal in Madras by Captain Reid and Thomas Munroe in 1792 and was

* R. C. Dutt—Economic History of India in the Victorian Age—page 289.

gradually extended to other parts of the province and thereafter to Bombay.

“ Between 1808 and 1818 the Madras Board of Revenue urged the wise plan of recognising the village communities of the province But representative village communities had no place in the scheme of the Companies' absolute government; the directors decided to deal with the cultivators individually without any intermediate bodies. The village communities of Madras declined from that date.”¹

“ If any nation's history, then it is the history of the English management of India which is a string of unsuccessful and really absurd (and in practice infamous) experiments in economics. In Bengal they created a caricature of English landed property on a large-scale; in south eastern India a caricature of small allotment property; in the north-west they transformed to the utmost of their ability the Indian commune with common ownership of the soil into a caricature of itself.”²

30. Village Community and early property rights in land.— Although there is unanimity of opinion as regards the constitutions and unctions of the village communities as so many social and political units, the authorities are divided as regards the part played by these ancient institutions in the growth and development of the proprietary right in land. According to Sir H. Maine [the oldest discoverable forms of property in land were those of collective property and separate property had grown out of collective property or ownership in common by a slow process of disengagement.³ Elphinstone and Max Muller⁴ have also attempted to prove that in India all land was held in common by the village communities and that families cultivated the soil in common.] Another point of view is that although the early Hindu Law-givers referred to common ownership of grazing fields, forest tracts and water channels, there is nothing to show that the cultivated lands were treated as common property.⁵ According to Baden-Powell the term “ village communities ” did not indicate any kind of communistic or socialistic right or interest and it could not be used as suggesting any idea of having the land in common; on the other hand, the idea of an individual (or rather family) right to the land in favour of a person who leased or reclaimed it from the jungle was to be found in existence at a very early stage.⁷

¹ R. C. Dutt—Economic History of India in the Victorian Age—page 57.

² Marx, “Capital”, Vol. III, xx pp. 392-3.

³ Village Community by Maine—pages 76-77.

⁴ History of India—9th edition—page 25.

⁵ “India, what it can teach us”—pages 48, 207.

⁶ The Land Laws of Bengal, pages 15-18.

⁷ Baden-Powell—Vol. I, page 113.

It will not perhaps be correct to say that community right in cultivated lands never existed in India. Such rights are in existence even now in the North-Western Provinces, and in the Punjab where Communal Proprietary rights are recognised.* Even in Bengal traces of community right in cultivable lands were in existence in the early part of the 19th century amongst tribal people of what is known as "jungle mahal" in the district of Midnapore. The "Mandali" tenures of the same district originated with the patriarch or headman (locally known as Mandal) of each community of the tribal people. The Mandal was the sole representative of the community in its dealings with the outside world. Each Mandal took settlement of lands in the village on behalf of the community and he then parcelled out lands to the different members according to their requirements, keeping out certain lands for the common use of the whole community. Traces of communal rights are still to be found in the Jhumming cultivation in the Garo Hills in Assam and in the Chittagong Hill tracts.

31. Under the three types of land tenures, in course of time, have evolved various interests in land widely divergent from province to province and a complex economic relationship among them. The net result under each of them has been the disintegration of the village economy, control over land by a body of non-agricultural population, exploitation of the tiller by the rent-receiving interests and a lack of planned effort to maximise production. It would be difficult to describe in detail the various ramifications of this complex relationship, much more so to suggest reforms fitting into this weird zigzag puzzle. It would be useless to do so because in defining the new scheme of rights we should look forward. We, therefore, propose to suggest a scheme of rights in land, which alone can motivate the agrarian pattern, we have recommended in Chapter I, and fulfil the objectives of assurance of a free creative personality to the peasant, eliminating exploitation and maximise agricultural production through planned efforts.

32. **The scheme of rights in land.**—Land should be held for use and the cultivator should have permanent and heritable right of cultivation in land. We define the cultivator as one who puts in a certain amount of manual labour in cultivation.

In course of time the idea of proprietary right in land has undergone a considerable evolution even under the existing tenures. The proprietary right in land today either under zamindari or ryotwari or mahalwari systems does not belong to either the community or the proprietor or to the tenant or to the individual peasant. The rights in land are widely distributed

* Punjab Settlement Manual. 1930.

among the various interests attached to land. In our scheme the right of cultivation will belong to the cultivator, but he must be subject to the control of the community.

Rightly observes Jaimini* : " The King cannot give away the earth because it is not his exclusive property, but is common to all beings enjoying the fruits of their own labour on it. It belongs to all alike."

33. In the short analysis which we have given about the existing land tenures one of the important conclusions was the decay of the village community and the clash of interests of unco-ordinated individuals in the rural economy of India. Our aim therefore should be to reinstate the village community to the position in the rural economy which rightfully belongs to it. The cultivator could have been subjected to some centralised control of the State administered through a distant machinery. It has been found by experience that such administration of control has not been effective. In the absence of administrative personnel with proper perspective, whatever control has been exercised to give protection to the tiller, in respect of security of tenure, fairness of rent or even scaling down of indebtedness, the object of such control has been defeated because of the remoteness of the controlling machinery. To produce the desired result social control must be administered through a decentralised machinery, namely, the Village Community. It is a body which has a vital relationship with every peasant, and an instrument of social welfare easily accessible and intelligible to a poor and illiterate village-peasant. Over the administration of such a village community he has a hand, the control formulated and enforced through it would be hardly resented by the peasantry. Therefore, we propose to bestow a number of rights in land on the village community. As a matter of fact, in our scheme, rights in land have been distributed between two agencies, viz. the cultivator and the village community. There is a supplementary complementary relationship between the rights of cultivators and those of the village community. As the village community is ultimately a group in which the majority are cultivators, the rights vesting in the village community in a way are the rights which the peasants would enjoy in their group personality and the control to be exercised by the village community would be a self-imposed control. Under such a democratic control his incentive to production would be canalised and not crippled.

34. **Sub-letting.**—The most fundamental check under which the cultivator would hold his rights in land is that he does not sub-let his holding except under special circumstances.

* Purva Mimansa (VI, 7, 3).

Kautilya says: "Non-cultivation of land by the peasant or his letting it out to a third person renders it liable to confiscation."¹

The election manifesto of the Congress as well as the Economic Programme Committee's Report have already laid down that the tiller must be brought into direct relationship with the State and all intermediaries removed.

In Bengal the seriousness of the problem of tenants-at-will cultivating land on crop-sharing basis may be gauged from the fact that about 20% of cultivable area is cultivated by share-croppers, having no legal protection.² Dr. Gyan Chand holds that reduction of half share of crop paid by the tenants-at-will to one-third as suggested by Bengal Land Revenue Commission would mean $5\frac{1}{2}$ times as much as is payable by the ryot and $2\frac{2}{3}$ times that payable by the under ryots.

In U.P. according to the Zamindari Abolition Committee's Report the area held by tenants of *Sir* sub-tenants is about 27 lakhs acres³ and the total number of such persons is 27 lakhs. Begum Aizaz Rasul, M.L.C. regards this as an under-estimate as the names of sub-tenants are not recorded in many cases. Dr. Radha Kamal Mukerjee deposing before the Committee puts the number of sub-tenants in the U.P. at 32 lakhs.

In the Punjab, before partition, out of the cultivated area of 31.17 million acres, 15.26 million acres were held by tenants-at-will.

In Madras 14% of the agricultural population are landless tenants cultivating lands of others and 15% are small holders cultivating lands of others. The total number of sub-tenants may be estimated at 1.5 million.⁵

While sub-tenancy is a feature of the agrarian economy of every province, it is difficult in the absence of proper records to give figures indicating the extent of sub-tenancy in each province.

From the above-quoted figures of four provinces we can form some idea about the magnitude of the problem and the following table of rents paid by the tenants as well as sub-tenants will indicate the extent of rack-renting:

¹ Artha Shastra—Part II—Chapter I.

² Dr. Gyan Chand's paper on "Share Tenancies" in the 4th Conference of Indian Society of Agricultural Economics.

³ U.P. Zamindari Abolition Committee Report, Vol. II, p. 8.

⁴ Land Tenures in India (Indian Agricultural Economics Society)—page 75.

⁵ Vide Statement No. 7 in the Statistical Appendix of "Agrarian Reforms and Parity Economy" by Shri O. P. Ramaswamy Reddiar.

Province	Rent per acre paid by the Tenant				Rent per acre paid by the Sub-tenant	
	Average rent	Maximum	Minimum	Rent expressed in terms of gross or net produce	Average rent	Rent expressed in terms of gross or net produce
	Rs. A. P.	Rs. A. P.	Rs. A. P.		Rs. A. P.	
Assam ¹	5 13 0 (Permanently settled area)			...	6 15 0 (Temporarily settled area ²) 11 10 0 (Permanently settled area)	Max. rent payable by subtenant is fixed under Tenure Com. at 3 to 5 times the Govt. Land Revenue. Actual rate is $\frac{1}{2}$ gr. produce.
W Bengal.	3 15 0	8 3 0 (Howrah)	2 1 0 (Bankura)	...	7 3 0	
Bihar ...	2 15 9	7 8 0	0 8 6		N.A.	$\frac{1}{2}$ gr. produce limited to $\frac{9}{20}$ of produce.
Bombay ...	N.A.					
C.P. ...	0 15 10	1 15 3	0 7 0	...	4 26 9 9 (Maximum)	...
Madras ...	7 0 0 ⁷				...	$\frac{2}{3}$ to $\frac{3}{4}$ produce. ^{7-a.}
Orissa ...	8 0 0 2 12 0 ⁵	18 0 0 (Ganjam)	...	...	...	$\frac{2}{5}$ th of gr. produce.
E. Punjab...			(Sambalpur)	Under Orissa Tenants 948 ^{6-a.}	...	Protection Act. $\frac{1}{2}$ to $\frac{1}{4}$ of gr. produce according to soils & irrigation.
U.P. ...	5 8 6	7 1 2 (Non-occupancy tenants in Oudh)	1 15 0 (Permanent tenure holders in Agra)	...	8 3 2	

It has been found by experience that unless land is owned by the tiller his incentive to production does not reach the optimum point. Because of the absence of any guarantee that he would get the full benefit resulting from the improvement he has no desire to make any improvement in land he

Sources other than Government are indicated below :

¹ Reply of Shri J. N. Das (Under-Secretary, Rev. Dept.)

² Shri S. K. Barua, M.L.A.

³ Shri P. K. Roy, Professor of Economics, Bangabasi College.

⁴ Shri Hari Ram Misra's reply.

⁵ Shri B. C. Mahanty's (Collector Dhenkanal) reply.

⁶ Principal G. S. Ray's reply.

^{6-a} From peasant's deposition—we find that by charging a share of all crops, the landed peasant practically realises 50% of produce.

⁷ Bengal Land Revenue Commission.

^{7-a} Report of the Enquiry of the Special Officer.

} Assam

cultivates. The improvement, if any, made by him, will only enhance the rate of rent which he has to pay even if he is allowed to enjoy security of tenure. Of course, fixity of tenure, fairness of rent and right to get compensation for the improvement made by the tenant may be assured to the tiller by a tenancy legislation. Not to mention the possibility of evasion of all these provisions of the law, it is highly doubtful if such assurance can evoke in the tenant in full measure the stimulus to production. The tenancy legislation of 1946 of Bombay made some good provisions in this regard. But in numerous cases we found by direct enquiry that the law was more often evaded than obeyed. Other provinces, viz. Orissa and Assam, have also passed similar legislation to guarantee fairness of rent to the tenant, but with no better results. Implementation of the law for Protective Tenancy has become extremely difficult due to too much pressure on land and the absence of honest administrative personnel. As a result, the law is violated generally by mutual understanding between the lessee and the lessor.

It is argued that the owner who sub-lets the land to a tenant discharges a vital function in agrarian economy by investing capital and bearing the risk. The tenant has no resources. Assisted by the owner, the tenant produces the crop and by this joint endeavour the best result under the circumstances is achieved.

In the course of our enquiry we found that the tenant owns the implements and bullocks generally, and not unoften provides the manure and the seed. As he gets a share in the yield, the amount of his income varies with the yield. The tenant thus is also a risk bearer. Besides, in the scheme of agrarian economy which we envisage every village will have a multi-purpose co-operative with a Resource Bank which will assist the cultivator in need with implements, bullocks, manure, seeds and other items of functional credit and planning of crops and land management would be looked after by the proper local authority. The non-cultivating owner discharging the function of the *entrepreneur* in agriculture has no place in our scheme. The fruits of all the toil must go to the tiller. Besides in our country where the main problem is to find full employment for the man-power in agriculture it would be sheer injustice to maintain a class in agriculture whose primary occupation is non-agricultural.

It has also been suggested in some quarters that only through allowing the custom of sub-letting to remain it is possible for an uneconomic holder to make his holding economic. An owner with two acres may take 8 more acres on lease and enjoy an economic holding. In the pattern of agrarian economy recommended by us, palpably uneconomic holdings come under the scheme of co-operative joint farming and other individual holdings would compulsorily be assisted by a co-operative better farming society. The problem of tackling the uneconomic holding has been approached in a different and a more direct way. It is our considered view

that the unit of uneconomic cultivation cannot be made an efficient unit of production through the method of sub-letting which is a worse evil. Sub-letting, however, may be allowed in cases of disability, viz. minors, widows and other disabled persons. The terms of sub-letting under these cases as well as the persons to whom the land would be sub-let would be decided by the regional land tribunal.

35. Restricted right of transfer.—The cultivator will have the right of transfer subject to the controls as described below :

In ancient times property in land was not regarded as a transferable commodity, absolutely owned and changing hands. In modern times, however, there is a complete change in our attitude towards ownership and transfer of land which has virtually reduced land to a mere chattel.

We do feel, however, as land is the only asset of the peasantry, complete abolition of the right of transfer would injure credit worthiness of the peasantry. Moreover, through controlled transfer alone there can be maximum utilisation of land.

The unrestricted right of transfer under the existing land tenures had, however, led to concentration of land in the hands of non-agriculturists. Efforts to check this evil, specially in the Punjab by Land Alienation Acts, have not produced the desired results.

In Bombay Province 18,56,000 agriculturists own 1,86,56,000 acres while 5,22,600 non-agriculturists own 82,94,000 acres. In other words, the *per capita* land owned by the cultivating class is 10 acres while that owned by the non-cultivating class is 15.9 acres.* In Madras, on the basis of an enquiry, Shri Sathianadhan concludes, "what is alarming is that in spite of fresh assignment to small farmers and labouring classes the small holder who constitutes the bulk of the population of the province is gradually making way for the large landlord who, while absorbing the land of the cultivating small farmer, seldom cultivates the land himself." A prominent Kisan leader of Madras in his deposition before the Committee very characteristically described the evil by saying that land has passed into the hands of agriculturists on whom the sun never shone! The Bengal Famine Commission observes that the passing into the hands of non-agriculturists of large extents of land was a marked feature, during the thirties. Our enquiry in the provinces confirms the conclusion of the Famine Enquiry Commission that during the last depression huge tracts of land passed from the hands of cultivators to non-cultivating section of population.

Unrestricted transfer is also incompatible with the pattern of agrarian economy we have recommended. [The cultivating rights in land must be transferred according to well-defined priorities to be laid down by the appro-

* Memorandum submitted by Sir Manilal B. Nanavati to the Congress Agrarian Reforms Committee.

prate authority of the Land Commission. The village community, in case of any breach of the provision regarding transfer, should have the right to arraign the transfer before the Regional Land Tribunal.

Reasonable value of the rights in land should be determined by the Regional Land Tribunal from time to time according to the principle of capitalisation of the net income on the basis of the current rate of interest. The village community will take cognizance of any sale of land at a rate above the value determined by the Land Tribunal. It has been suggested that such control would depreciate the credit-worthiness of the cultivator. On the other hand, it has also been suggested that unless such value is controlled an uneconomic holder in trying to supplement his uneconomic holding would be saddled with a liability which would make cultivation on this freshly acquired economic holding inefficient. He would fail to make proportionate investment of capital in his holding which is now economic.

36. Test of Good Husbandry.—The cultivator will enjoy the right in land only so long as he satisfies the test of good husbandry. Land is a social asset. The cultivator is more or less a trustee of the social asset. If he fails to discharge the obligation of the trust it is only reasonable that he should be divested of the trust.

An indifferent tiller has no place in the agrarian economy of the country. Because he is a tiller, he must stay in land—is no social justice. Manu enjoins upon the King to inflict penalties upon a cultivator who fails to maintain the standard of efficiency of cultivation.*

Section 9 of the Agriculture Act of Great Britain of 1947 lays down: "Owners of agricultural land should fulfil their responsibilities to manage the land in accordance with the rules of good estate management, and that occupiers of agricultural land fulfil their responsibilities to farm the land in accordance with the rules of good husbandry." Section 16 of the Act provides for the dispossession of owners or occupiers on grounds of bad estate management or bad husbandry.

It is of course difficult today to lay down rigidly the method of enforcing the test in view of the fact that agricultural statistics are not so comprehensive and well organised. The Regional Authority at the instance of the village community may enforce some test of good husbandry on the local tillers. [If a peasant wilfully or without reasonable cause does not manure his land, does not prepare the ground properly and persistently fails to sow and reap in time, he should be liable to eviction from his holding. The Regional Land Tribunal should determine the average yield for different areas and different crops. Every cultivator, given proper facilities for agricultural production, should satisfy the test of efficiency of production thus laid down.]

* VII, 243 and IX, 45.

37. Control through planning.—Planning involves some amount of social control of agricultural operations. The peasant will have to conform to the scheme laid down by the Land Commission. When agricultural planning gathers momentum the control would be conducive to development rather than restriction. (Control would come in the shape of crop planning, better manuring, using improved seeds and payment of premium for crop and cattle insurance etc.) Emanating from the gatherings of peasants under village communities, modified at different local and regional councils, the plan would take shape ultimately in the Land Commission. Both in formulation as well as administration of the plan, the local peasants would have a say. What they should sow and how much they should sow and what they require and how their requirements would be fulfilled, would be determined in a democratic way. It will not be a totalitarian but a democratic and decentralised plan with minimum centralisation under which the peasant will have to work.

38. Control of conversion of land to non-agricultural uses.—Again the cultivator will come under social control in regard to conversion of land to non-agricultural use. In the villages which are near big industrial towns, this problem of converting land to non-agricultural uses has already taken acute form. Besides, when India's programme of industrial development gets into stride and industries are located in rural areas where there might be an ample supply of raw materials and labour force, this problem would assume much more serious dimension than today. In order to maintain the agronomic balance of the village we recommend that conversion of land to non-agricultural use should not be without the sanction of the Village Community or any other authority under the Land Commission which will be in charge of management of land and its resources in the province.

Thus the Village Community would play an important role in the use of land. It has been empowered to control all matters relating to sub-letting and transfer of right of cultivation in land and fixation of reasonable value of cultivating rights in land and to provide the base of all agricultural planning.

39. Common assets of the village.—The Village Community should also manage the village waste lands, tanks, forests, pathways, water-channels, village sites, pastures and other village common. The analysis of the existing land tenures has clearly brought out the decay of the village community and along with it the failure of the administration of the common tanks, forests, pathways, water-channels, pastures etc. In some zamindari areas the zamindars usurped these common properties for their use, and settled them with tenants. Village forests, in some cases, have been deforested and leased out. This has deprived the village of the natural safeguard against soil-erosion. The village people today cannot use the village forest either for the purpose of fodder or fuel or for green manure. In ryotwari areas also the common property of the

village is not well looked after. The village patel or the village servants, where they exist, do not look after the village tanks, pastures, or pathways. In the pattern of the agrarian economy which we envisage, through planned management all these common resources of the village would be used to improve the agricultural efficiency. As a matter of fact under planned development the pastures, forests, tanks and water-channels should provide the nutritional balance to both the land and the live-stock of the peasant.

40. Assessment and collection of Land Revenue.—We contemplate that every village will be a fiscal unit for which there shall be consolidated demand of land revenue. The Land Commission should arrange for the assessment of the demand payable for the village as well as by the individual cultivators and set up for the purpose an appropriate machinery for survey and settlement. We consider, however, that it will be of great advantage if a committee is formed by the village panchayat to advise and supply the officers engaged on the work with such materials and local information as may be needed for a fair and equitable distribution of the assessment.

The village community shall be responsible for the punctual collection of land rates from the individual cultivators and payment of the stipulated village demand to the Land Commission. It will also be within the competence of the same body to make representation to the appropriate authority regarding suspension or remission of the demand by any individual cultivator or for the village in any year as the agricultural conditions may justify.

41. We have not so far touched upon the most important point over which grave concern has been evinced by a number of witnesses appearing before the Committee. The most important question is whether the Village Community is a fit instrument for discharging the responsibilities mentioned above. While witnesses have deposed against the competence of the Village Community, there have been numerous people with authority who have deposed in favour of entrusting this responsibility to the Village Community. We have already stated the arguments why the administration of social control of land should be carried out through some decentralised machinery. There cannot be any two opinions about the need for social control. The individual peasant cannot be left to himself if agriculture is to be planned and improved. What is debated is the nature of the machinery of administration of social control. We are convinced that the centralised machinery has failed and will fail. The changes of Government and even the reorientation of the civil service will not produce any better results.

Regarding the role of village panchayats in the economic and political life of the provinces, numerous commissions and committees have made recommendations. As long ago as 1909 the Royal Commission on Decentralisation pointed out, "the scant success of the efforts hitherto

made to introduce a system of rural self-government is largely due to the fact that we have not built from the bottom. [The foundation of any edifice which shall associate the people with administration must be the village in which the people are known to one another and have interests which converge on well recognised objects.] The Commission recommended that an attempt should be made to constitute and develop village panchayats for the administration of local affairs and visualised the system as capable of gradual enlargement to "make the village a starting point of public life." The Bengal Administration Enquiry Committee of 1944 came to the unanimous conclusion that "neither successive failures nor criticism should be permitted to deflect Government from its objective. the setting up of self-governing bodies in the villages, for few things will contribute more to "rural reconstruction and development" than well run public-spirited Union Board." The Famine Enquiry Commission in their final report, agreeing with the views of the Bengal Administration Enquiry Committee, observe that the establishment of panchayats is indispensable for the development of rural areas. The U.P. Government Zamindari Abolition Committee makes the village panchayat the lever of the machinery of land management and endows it with considerable powers. For a good long time Indian agriculture is not going to be mechanised because no substantial portion of the population employed in agriculture can be taken to any alternative employment through industrial development. The units of production may be comparatively larger but not to such an extent as to be run on centralised large-scale basis. Indian agriculture would remain spread out, manned by millions of persons, and to make the social will effectively felt by the people in distant parts, the village community is the one and only instrument. The intimacy of touch, without which no reform and no legislation can produce any effect, can be secured only through the village community. It is true that the village community in the beginning may make mistakes even commit blunders but administrative capacity and sense of responsibility would develop with the exercise of powers. The present food scarcity in spite of "Grow More Food Campaign", in spite of Committees and Commissions, and our wandering about with a begging bowl have proved to the hilt the complete failure of the centralised bureaucratic method. The famine of consumers' goods and of food even after a decade after the Revolution in Russia proved the futility of the totalitarian way. There is only one alternative that is the democratic, decentralised co-operative way.

42. Lands under lease.—We have recommended that in future no letting and sub-letting of land should be allowed except in the case of minors, widows and disabled persons, but the lands which are already under lease require separate treatment. If all sub-letting is banned forthwith it would violently disturb the equilibrium of the agrarian economy. We have already given figures indicating the extent of land cultivated

by the sub-tenants. In the absence of proper record of rights it is difficult to give any authoritative statistics. But there can be no doubt that their number is very large. [We, therefore, recommend that a tenant continuously cultivating a holding or a part of the holding for six years should automatically get the right of occupancy over it unless the owner proves before the proper authority his disability to cultivate the land personally. Such a tenant will hereafter be referred to as a Protected Tenant.

The Bengal Land Revenue Commission (1940) also recommended limited occupancy right to share croppers.

By a tenant we understand a person lawfully cultivating any land belonging to another person, if such land is not cultivated personally by the owner and if such a person is not :

- (a) a member of the owner's family,
- or (b) a servant on wages payable in cash or in kind but not a crop-sharer or a hired labourer cultivating the land under the personal supervision of the owner or any member of the owner's family,
- or (c) a mortgagee in possession.

So the definition of a tenant would include the large classes of agricultural population in different provinces specially the following :

Adhiars in Assam and Orissa, Bargadars in West Bengal, Sikmis in U.P. and Bihar, Waramdars in Madras, Verumpattamdars in Malabar and Kanims in East Punjab.

In order that the maximum advantage may be taken of the reform by the tenant, it should be given retrospective effect. As land is held for cultivation, there is no social injustice in depriving the owner of his right of ejecting the tenant when he has been on the land and has cultivated it continuously for a period of six years. [It is the tenant who has put the land to use. The cultivating right in land therefore, should belong to him.] As a matter of fact the occupancy ryots in zamindari areas were in many cases treated as tenants-at-will in the beginning and through continued occupation have acquired the right of occupancy on lands. There is nothing radical in this recommendation. It is merely an extension of a privilege which has been enjoyed by one interest in land to another interest. Besides, as in many cases by taking some land on lease, holders of uneconomic holdings have made their units of cultivation economic, the grant of occupancy right to the tenants of 6 years standing would stabilise these economic holdings. Efficiency of production in the case of such holders of economic holdings would not suffer. In the case of protected tenants of uneconomic holdings, the holdings will be brought under co-operative joint cultivation. So the problem of capital equipment and resources would not arise.

The grant of security of tenure alone will not eliminate exploitation under which the tenant is labouring today.

The question of fairness of rent has to be tackled. As a matter of fact it is a well-known principle that there can be no security of tenure without the determination of fairness of rent. For this purpose legislative action has been taken in Bombay, Orissa and Assam. The Bombay Tenancy Act of 1948 places a ceiling to rates of rent to be paid by the tenants to the land owner: "Notwithstanding any agreement, usage, decree or order of a court of any law, the maximum rent payable by a tenant for the lease of any land shall not in case of irrigated land exceed one-fourth and in case of any other land exceed one-third of the crop of such land or its value as determined in the prescribed manner." The Act also provides for the machinery to determine a reasonable rent. In determining the reasonable rent, regard shall, subject to the provision of maximum rent, be had to the following factors :

- (a) The rental values of lands used for similar purposes in the locality,
 - (b) The profits of agriculture of similar lands in the locality,
 - (c) The prices of crops and commodities in the locality,
 - (d) The improvements made in the land by the landlord or tenant,
 - (e) The assessment payable in respect of land,
- and (f) Such other factors as may be prescribed.

The Act also provides for commutation of crop share into cash rent.

We recommend that determination of fair rent and commutation of crop share into cash rent for the tenants who would acquire occupancy right should be on the basis of the provisions of the Bombay Tenancy Act of 1948 mentioned above and by a body called the Land Tribunal to be regionally constituted. (We discuss the composition and functions of the Land Tribunal in a subsequent part of the Chapter.)

One of the major draw-backs under which a tenant has to work is that whenever the payment of land revenue payable to the Government by a landlord in respect of any land is suspended or remitted the tenant does not get any advantage of these suspensions or remissions. We recommend that in case of wholesale remission or suspension of land revenue the benefit should be given by the landlord to the tenant. In case of partial suspension or remission the benefit should also accrue to the tenant in the same proportion.

The tenancy would not terminate if the tenant fails to pay in any year within a reasonable period from the date fixed for the payment of the last instalment of revenue, but the landlord may sue the tenant and obtain a decree from the Tribunal and in the execution of the same the holding will revert to the owner according to our subsequent recommendations on resumption. In case the tenant has applied for determination

of reasonable rent before the Land Tribunal, he must deposit, within a reasonable period from the aforesaid date, with the Village Community a sum equal to the amount of rent which he would have been liable to pay for that year if no such application had been made. In case the reasonable rent determined by the Land Tribunal is greater than the sum deposited by the tenant he must pay the balance due from him within a certain period from the date of determination of reasonable rent. In case of failure to satisfy the above conditions the tenancy would terminate. The tenancy would also terminate if the tenant does any act destructive or permanently injurious to the land or sub-lets the land or uses it for purposes other than agriculture.

The protected tenancy may also be terminated with a period of three years after the passing of the Act embodying this provision, if the owner of the land desires to resume it for personal cultivation. But such resumption should be under the following conditions :

If the owner has less land than an economic holding he should have the right to resume from the protected tenant land which would give an economic holding to him. As the objective is to reconstruct the agrarian pattern on the basis of economic units it would not be reasonable to disturb the economic holding of either the owner or the protected tenant. The right of resumption should not be exercised by the owner, if such resumption reduces the economic holding of the tenant below the economic level without making his own holding economic. In case the protected tenant has got an uneconomic holding and has pooled the land in a co-operative joint farm, the protected tenancy should not be terminated, because that may lead to disruption in the farm.

We have already recommended that the maximum individual holding should be three times the economic holding. It may be argued that the owner should have the right of resumption on lands let out up to the maximum holding. We, however, feel that the owner by sub-letting land has allowed the most fundamental right in land namely, the cultivating right, to remain with the tenant for a considerably long time. While legally he is the owner, in actual practice, land has been put to use by the tenant. In the matter of fixing a ceiling to individual holding we make a distinction between an owner who has so far leased out most of his lands and the owner owning the same size of holding and cultivating it personally all through. While the cultivating owner should have the right to own a holding three times the size of an economic holding, the lessor can enjoy such right—that the lessor can on resumption get a holding equal to three times the size of an economic holding, only when the lessee or the protected tenant has got an excess land over an economic holding. If there is any excess, after the lessor has resumed land for making his holding equal to maximum holding, it should remain with the protected tenant to the extent of building up a maximum holding for him. Even after this if there is an excess, the balance should be

acquired by the village community on payment of compensation to the owner at the prescribed rates.

If the lessor has a joint family the right of resumption could be exercised in the first instance on the basis of an economic holding for each branch of the joint family. After leaving an economic holding for the protected tenant if there is any excess land each branch of the joint family would be entitled to a maximum holding and so on.

Resumption should be only for the purpose of cultivation by the owner. Under the Bombay Tenancy Act, the owner is entitled to resume land from the protected tenant for the purpose of putting land to non-agricultural use. As has already been noted the right to put land to non-agricultural use by the peasant should be subject to the control of the Village Community. In this case of resumption also we recommend that the owner should not have any unrestricted right of resumption for putting land to non-agricultural use but the exercise of the right of resumption should be subject to the control of the Village Community.

The protected tenant will have the right to purchase land by paying a consideration to the owner. The exact amount of compensation to be paid to the owners should be determined by the Land Tribunal. The limits to the size of the holdings to be acquired by the protected tenant from the owner would be in the same order as indicated in the case of resumption by the owner. In other words the tenant should have the first preference to acquire up to an economic holding. If there is excess the owner should have the right to keep up to a maximum holding and from the balance, the protected tenant might acquire land up to a maximum holding for himself and the remainder might be acquired by the Village Community.

This recommendation regarding acquisition of land by the tenant from the owner on payment of reasonable compensation should be given effect to both in zamindari and ryotwari areas, but if in zamindari area there are two persons above the sub-tenant with fixity of tenure after abolition of zamindari then compensation paid by the sub-tenant should be divided between these two in proportion to the share of the rent paid by the sub-tenants to these two persons.

43. Land Tribunal.—The Land Tribunal which would be entrusted with multifarious duties in connection with the determination of fair rent, reasonable price of land to be paid to the owner and also enforcement of minimum wages would be a regional body constituted over groups of villages. The Land Tribunal will, therefore, be concerned with two major problems of agricultural population e.g. (i) the adjustment of the interests of landlords and protected tenants and (ii) the interests of cultivators and agricultural labourers, and operate in two sections.

In West Bengal to settle disputes over apportionment of crops between the landed peasantry and share-croppers advisory committees called Bhagchas

Control Boards have been constituted in several districts and district officers deposing before us testified to their successful working.* The Land Tribunal envisaged by us is an institution of the same category as the Bhagchas Control Board with larger powers and having the status of a statutory body.

The composition of the two wings of the Land Tribunal would be different. The first one would be constituted by equal representation from the land holding peasantry and the tenants with an official chairman, the second one would be composed of equal number of representatives of cultivating peasants and agricultural labourers with an official chairman.

Immediate steps should be taken to prepare the record of rights with the help of Land Tribunals and to stay ejectments of sub-tenants or tenants-at-will. Unless these steps are taken the benefit under protected tenancy might not accrue to those tenants who may have actually been cultivating land on lease for the required period but who may be unable to prove their rights in a court of law. The importance of immediate preparation of record of rights cannot be over-emphasized. Over large areas records do not exist. Under the present system of sub-letting, rarely receipts are given. Quite a good number of the people who are actual cultivators are not mentioned in the record of rights which are most faulty in respect of the cultivating rights of the tenants. The illiteracy of the cultivating class as well as the dishonesty of the land-owning peasantry and the corruption of officials together have produced a situation under which it may be extremely difficult to prove the status of a tenant on a plot of land, though he or his family may have been cultivating that plot of land even for generations. If the preparation of record of rights is left with the Revenue Department and its officials, the objective of granting occupancy right to actual cultivators can hardly be attained. We have, therefore, taken care to recommend the constitution of a decentralised and representative machinery e.g. the Land Tribunal, which would be sympathetic to the tenants and would also be accessible to them.

* Oral evidence of Shri R. K. Mitra, I.C.S., District Collector, 24 Parganas.

CHAPTER III

Co-operative Farming

44. The Royal Commission on Indian Agriculture in 1928 observed that if co-operation fails there fails the hope of the Indian agriculturist. During the two decades since the Royal Commission made its Report the co-operative movement, however, has made little progress in tackling the problems of the peasant's life.

In Chapter I we have recommended compulsory co-operative joint farming for cultivators whose holdings are below the basic size and who form about 40 to 50 per cent. of Indian cultivators, and some form of compulsory co-operative better farming for the rest.

In the background of this slow and limited growth of the co-operative movement it will be pertinent to ask whether so much reliance should be placed on the co-operative organisation in solving the problems of Indian farming. It seems to us that to generalise on the basis of the progress made by the co-operative movement so far is to generalise on wrong premises. By and large it is true that the co-operative movement, on account of the bureaucratic control and rigidity of administration, failed to attain the tempo of a popular movement. Besides, it did not reach far enough. No attempt was made to tackle the whole problem of the Indian peasant; it did not touch the peasant at many points. While facile credit was provided little or no provision was made for the better utilisation of the credit. There was no concerted effort to balance the deficit economy of an average farmer. There is nothing inherently wrong in the co-operative method itself nor in the people who come into the co-operative movement. The defect lay in the administrative set up operating the movement and the exploitative economic structure in which the Indian peasant had to live and work. We proceed on the basis of a simultaneous change both in the administrative organisation and the economic structure. The co-operative pattern of agrarian economy would work in a new set up—a new scheme of rights in land and a new machinery of land management. We believe that reforms would never produce the desired results unless they are simultaneously introduced in sectors organically related to each other.

45. **Consolidation of Holdings.**—There is a popular belief that by consolidation of holdings, the evil of uneconomic cultivation can be met. While we do not minimise the importance of consolidation of holdings in rehabilitation of the agrarian economy, consolidation of holdings could never increase the size of the holding, though it will make the holding compact. (We propose to discuss the question of consolidation of holdings in a later chapter.) Co-operative farming will go a long way to remove the evil of uneconomic cultivation.

46. Difficulties of Co-operative Farming.—We are certainly aware of the many handicaps which might beset co-operative farming, such as :

- (1) Caste and Community differences,
- (2) Squabbles in village life,
- (3) Unequal status of men,
- (4) Inability of most men to work under strict discipline due to weak health and friction,
- (5) Difficulty in getting the right type of men to manage and guide, and
- (6) Red-tape and delays in administration.

The most fundamental difficulty is the lack of co-operative spirit in the village life. Other difficulties are not insuperable, as they are not inherent in the village life and can be removed by progressive change in the economic order and administrative reorganisation.

The co-operative joint farm which we visualise is not the co-operative joint farm dealt with in the literature on the subject or in the reports of failure of the few experiments in our country.

Towards the end of this chapter we attach a note on the co-operative joint farms the Committee visited in different parts of India, which points out the defects in the planning, organisation and administration of these experiments.

Our co-operative joint farm would not generally in the beginning be more than three times the economic holding. Of course there would be experimental co-operative joint farms under proper supervision of the appropriate authority of the Land Commission which would be much bigger than these voluntary co-operatives. In the village there is caste consciousness and factionalism. With a little imagination and proper guidance even factionalism may be utilised for a better end. The people belonging to any one group can co-operate in farming. To one who has lived in the village, co-operation among five, ten or twenty persons at the time of ploughing, sowing or harvesting is not a thing of the past. While passing through the countryside one can notice ten ploughs working on the same field. They are not the ploughs of one man, but of ten different persons. [What we propose by our co-operative joint farm is to give some organisational shape to the little but precious amount of co-operative spirit that is still left in the village life after the ruthless impact of the individualistic civilisation of the west.]

47. Compulsion in Co-operation.—We have recommended that if holdings below the basic holding do not voluntarily co-operate, they would be compulsorily co-operativised. It may be argued that co-operation must avoid compulsion. To a true co-operator, compulsion is an anathema. We may, however, point out that in the Madras Registrars' Conference it was resolved that co-operative joint farming would be compulsorily introduced

if 66% of owners of land or owners of 75% land agree to such a scheme of co-operative joint farming. According to the Co-operative Societies Act (amendment) XXVIII of 1928 of Bombay, if 66% of owners of 75% land in a village agree to co-operative joint farming, the recalcitrant minority can be made to join such a scheme. In the Consolidation of Holdings Act of 1947, Bombay, where the object is demonstrably in the interest of society, the idea of compulsion has been clearly recognised. We thus see that in urgent social and economic reforms there is less and less aversion to the use of compulsion.

We know that these uneconomic holdings cannot be brought compulsorily into co-operative joint farms outright by an ukase of the Government. The problem must be tackled from many sides. While there should be vigorous propaganda by properly trained persons (and we are recommending a special cadre of service namely, the Rural Economic Service, under the control of the Land Management Authority in Chapter IV) among these uneconomic holders to get into small co-operative joint farms to be organised voluntarily, there should be side by side experiments in co-operative joint farms under the auspices of the Provincial Co-operative Farming Board attached to the Land Commission, at least two in each sub-division. (State assistance in the shape of better seeds, manure, implements and finance, short and long, should be made easily available at cheap rates, through the proper authority of the Land Commission to these small co-operative joint farms.) There should also be vigorous publicity of the achievements of the co-operative joint farms among the peasantry. After a period of two to five years there should be a review of the position and if it is found that the voluntary effort in co-operative joint farming has not achieved any perceptible result, there should be greater recourse to the method of compulsion. We are confident that in course of time through proper direction, supervision and guidance, the Indian peasantry would take to the small co-operative joint farms and there would be very few occasions to resort to compulsory co-operative farming except the experimental co-operative farms.

48. Types of Co-operative Farming.—In Chapter I we have referred to two types of co-operative farming :

- (1) Co-operative Joint Farming and
- (2) Co-operative Better Farming through a multi-purpose co-operative in each village.

The Co-operative Planning Committee, however, has classified co-operative farming into four types. In addition to the two we have suggested, the Co-operative Planning Committee mentions two other types, viz.,

- (1) Co-operative Tenant Farming, and
- (2) Co-operative Collective Farming.

Co-operative Tenant Farming has been defined thus :*

This type of society owns land in freehold or leasehold but its holding is divided into smaller holdings each of which is leased to an individual tenant cultivator who is a member of the society. The whole area is cultivated in accordance with a plan laid down by the society, but the manner in which the plan is executed is left to the discretion of each individual tenant. The society undertakes to supply credit, seed, manure and costly agricultural implements and even to arrange for the marketing of the tenant members' produce, but it is open to each tenant member whether or not to avail himself of these facilities. Each tenant pays a fixed rent for his holding, but the produce of the holding is his own and entirely at his disposal. This type of society replaces the superior landlord, and the profits, after meeting all expenses and providing for a reserve fund, are distributed among the tenant members in proportion to the rent paid by each."

We do not favour the idea of introducing Co-operative Tenant Farming because the idea of sub-letting underlies the co-operative tenant farming and in our scheme of agrarian reforms there is no place for sub-letting. We do not like that sub-letting should be perpetuated in the garb of some shape of co-operative farming. Besides, as most of the cultivators are small holders, the allotment of co-operative farm land to individual cultivators on the basis of economic holdings would displace the vast majority of the cultivators.

For reasons already given collective co-operative farming should not be taken up on a large-scale and should be restricted to new settlements of landless labourers on cultivable waste land. While minor variations may be provided for in the bye-laws with the consent of appropriate authority, we do not favour any fundamental deviation from the two types of co-operative farming we have mentioned.

49. Organisation of Co-operative Joint Farm.—In the preceding chapters we have clearly stated the relation between the individual member and the co-operative farm in respect of farming which will be jointly organised.

We now proceed to discuss a few details about membership, organisation, management and other allied problems of a co-operative joint farm. According to Shri B. J. Patel, Registrar of Co-operative Societies, Bombay, the size of a co-operative farm in the initial stages would ordinarily be of an acreage assessed between Rs. 300 and Rs. 500. The unit should be subsequently enlarged as the corporate sense and popularity of the co-operative farm become more assured. The aim should be to bring together all the cultivators in a village in a single co-operative farming society, provided the village is not much bigger than an average sized village in the province. According to

* Report of the Co-operative Planning Committee, Government of India, page 32.

our recommendation, however, the bulk of joint farms would be much smaller than what Shri Patel has visualised. Of course, there would be experimental co-operative joint farms of the size of 400 to 500 acres. But the bulk of them would generally be of the order of 30 to 50 acres and as the co-operative spirit among the people becomes more ingrained, these small co-operatives may be integrated into bigger ones. And as we visualise that all these small co-operative joint farms would be members of the village multi-purpose co-operative society for purposes of credit, sale, purchase and other better farming operations like cropping, anti-erosion, there is just a possibility that the heterogeneity which characterises the village population today would be gradually levelled down by working through one institution. Besides, people would realise the security which this co-operative organisation would bring about.

Persons who cultivate lands as owners or protected tenants would be eligible for membership of a co-operative joint farm. Where the rent of a protected tenant who joins a cooperative farm is payable in kind, the co-operative farm should apply for the commutation of the rent into cash. The landlord of the protected tenant should be prevented from terminating the tenancy by withdrawing land from the farm. Once a tenant has pooled his holding, the right to create charges on the land for improvement should vest in the farm.*

In course of time even landless labourers may be admitted to the membership of the co-operative farm.

50. Valuation of Land and other Assets.—Co-operative joint farming involves pooling of land, stocks and implements of the peasants joining the co-operative farm. We recommend that shares should be issued to the members on the basis of the evaluation of land, live-stock and implements pooled in the farm. We do not favour the idea of leasing out the land to the co-operative as has been done in some of the co-operative joint farms in Bombay. One of the reasons for the failure of these co-operative farms is leasing out of land at such high rents as 8 times the assessment to the co-operative farms. Whether live-stock should be pooled or not is to be decided in the light of the circumstances. We may point out that about 60% of the live-stock of the Russian collective farms is kept by the members. If the stock is kept by them

* In the model bye-laws of the Co-operative Joint Farm, provision for admission of membership may be made as under :

No person shall be a member unless

- (a) he being an occupancy or protected tenant, has agreed to contribute his lands for joint cultivation of the farm ;
- (b) he is known to have good character and understands the objects for which the farm has been registered ;
- (c) his membership has been approved by an absolute majority of the Managing Committee ;
- (d) he has paid an entrance fee of Re. 1 and has subscribed to at least one share.

and not pooled in the farm, wages may be paid at different rates according as the members come to work with or without bullocks.*

A member of the Co-operative Joint Farm should not ordinarily be permitted to resign his membership because the resignation of a few members specially in a small co-operative joint farm might disturb the balance of the farm. It may be necessary to permit a member to resign his membership if he intends to leave the village to take up some other occupation elsewhere.

51. Expulsion.—A member could be expelled from the society subject to the approval of the Registrar, or some proper authority, by the vote of a special majority of members in a general meeting of the co-operative joint farm attended by at least half of the members.**

* Regarding valuation of lands, the provision No. 31 of the model bye-law of co-operative farming societies of Bombay Government may be considered :

"1. These rules may be called the rules for the valuation of agricultural lands.

2. For the purposes of valuation under these rules, all lands shall be classified in three categories.

- (i) Jirayat lands,
- (ii) Rice lands,
- (iii) Bagayat lands,
 - (a) Patasthal,
 - (b) Motasthal,
- and (c) Canal Irrigation.

N.B. (a) Trees yielding fruit and timber standing on the lands shall be separately valued. In the case of other trees, owners or tenants to whom these belong, shall retain the right to cut them for fuel purposes.

(b) Grass grown on the lands under joint farming will be allowed to be cut and removed by members on payment.

3. In the Settlement Reports published by Government, average sale prices of lands classified in groups and their ratio to the assessment are worked out. In calculating the value of the lands for purpose of bye-law No. 31, the multiple of assessment to sale prices as worked out for different types of lands in respect of the group to which the village belongs, should be taken as a guide subject to any variations considered necessary having regard to local conditions, provided that the reasons for making such variations are recorded in writing.

4. The Society shall prepare a statement showing details of lands given by each member and the value assigned to it by the Society which will be available for inspection of members. Any dispute regarding the valuation shall be referred to the Assistant Registrar for his decision which shall be final.

5. None of the rules therein contained shall be altered or rescinded and no rule shall be added except by a vote of majority consisting of at least two-third of the members present at a general meeting convened for the purpose. The notice convening the meeting shall specify the proposed alteration, addition or rescission and shall be not less than 7 days prior to the meeting. The amendment shall not take effect until it has been approved and registered by the Registrar."

** The reasons for expulsion may be,

- (i) If the member is guilty of breach of the bye-law relating to pooling of lands.
- (ii) If he is a persistent defaulter.
- (iii) If he wilfully deceives the society by false statements.
- (iv) If he is bankrupt or legally disabled.
- (v) If he is criminally convicted of an offence involving moral turpitude.
- (vi) If he intentionally does any act likely to injure the credit of the society.

The Co-operative Joint Farm should be looked after by a Managing Committee of the Society elected in the general meeting and also by a Board of Supervision, which may consist of five persons, two of whom may be nominated by the relevant departments of the Land Commission. There may also be a small committee to be elected in a general meeting for assignment of work. The broad principles of assignment of work may, however, be determined in the general meeting.

52. Distribution of Income.—The income of the Society should be distributed according to the following priorities:

- (a) Wages should be paid at current rate. A register should be maintained to record the amount of work done by the people. In some co-operative joint farms we found a lot of corruption in the maintenance of the register. So long as the level of literacy of the farmer does not rise the danger of corruption in the maintenance of the register would remain. We feel that the register should be maintained by some Government official in the beginning till a member of the farm is trained for this purpose.

In some co-operative farms we found great dissatisfaction as wages were not fully paid off. We therefore do not agree to the suggestion of Shri Patel that only 75% of the wages should be paid at the time of work and the balance may be settled after the accounts have been drawn according to the profits of the farm. We also feel that as in all the co-operative joint farms the member will work and earn wages, greater portion of the income should not be distributed as dividend on the shares on account of lands and other items of property pooled in the farm. Rather the bulk of the income should be distributed by way of wages. They should not be less than the rates prevalent in the locality. Otherwise there will be dearth of labour in the farm in the season of work. Payment may be partly in cash and partly in kind. It would be difficult to assess wages in the beginning according to age or sex and according to the hours of work.

- (b) Dividend at 4% on share capital on the basis of land and other items of property pooled by the peasant in the co-operative.

According to the memorandum of Shri Patel, the rate of dividend is 6% of the valuation of lands, etc. We feel that there is no justification for paying more than 4%.

- (c) Interest payable on loans and deposits.
 (d) Working expenses.
 (e) Losses.
 (f) Depreciation on buildings and other wasting assets.
 (g) All other expenses incidental to the working of the society.

The balance remaining after these deductions shall be treated as net profits.

- (i) A sum of not less than 25% of the net profits should be carried to the reserve fund every year.
- (ii) The balance of net profits should be distributed among the workers in proportion to their wages.

When members resign or are expelled they should be entitled to the refund only of the value of their share-capital contributed to the farm and not lands. Payment will, however, be made only after five years from the date of the commencement of the work of the farm.

The co-operative farm should be subject to the general principles of assessment. The farm should not be completely exempt from payment of land revenue. In the beginning, however, they may be given the benefit of some favourable rates of assessment till they begin to work in full swing—say 50% in the first year, 75% in the second and full assessment in the third year.

In small co-operative joint farms voluntarily organised much of the details of organisation may be settled mutually among the members. It may not be necessary to have all the routine details which are generally laid down in the model bye-law of a co-operative joint farm. Capt. Mohite very rightly observes : “ The Registrar of Co-operative Societies, however, may allow such societies latitude in complying with these bye-laws so long as such latitude does not materially militate against the spirit of the bye-laws.”*

53. State Assistance.—It is only natural that the formation of these co-operative joint farms would depend very much on the amount of State assistance. The Co-operative Planning Committee recommends the following State assistance :

“ In the first few years the expenditure on the entire establishment of the co-operative joint farming society should be met by the State. We suggest that the Registrar of Co-operative Societies should prepare an estimate of income and expenditure when he decides to start a co-operative joint farming society and should calculate what financial assistance should be forthcoming from the State in order that there may be sufficient surplus left for distribution of fair return to the members of the society.”**

Shri Patel, the Registrar of Co-operative Societies, Bombay, suggests the following State assistance :

“ A co-operative farming society may be given a subsidy of an amount not exceeding Rs. 1,500 in the first year, Rs. 750 in the second year and third, having regard to the size and nature of the land, towards the purchase of

*Report on Co-operative Farming in Bombay Province—p. 30.

**Report of the Co-operative Planning Committee—p. 34.

seed, manure and light implements. As regards scientific and technical advice in the matter of introducing improved methods of agriculture, each society should be provided with a trained agricultural assistant at least for a period of five years in the first instance. Improved varieties of seeds, manure and fertilisers should be supplied by the Agricultural Department and the higher officers of the Agricultural Department should assist the society in drawing up crop plans.

“ The co-operative farming society will have to undertake many schemes for land improvement specially in regard to irrigation, bunding and anti-erosion measures. It may not be possible for the society to raise funds both for short-term requirements and long-term requirements by contributions from the members. According to the Committee the Co-operative to which the co-operative joint farming society is affiliated should give short-term and intermediate loans. Its long-term financial requirements should be provided by land mortgage banks on the security of the land managed by the society.

“ . . . Owing to experimental nature of co-operative farming, the land mortgage banks may be unwilling to make these loans for want of proper security. We recommend that state should, where necessary, provide the long-term finance or guarantee the loans granted by the co-operative banks.”

In our scheme the small co-operative joint farms should try to raise their finance through the village multi-purpose co-operative, and the central financing agency should assist the multi-purpose co-operative in the matter of procurement of short-term and intermediate term credit facilities and the State should raise long-term loans in the open market or guarantee long-term credit which may be made available by the land mortgage bank at different levels through the Multi-purpose Society. In Chapter V on Rural Finance we have discussed the question in greater detail how through organisation of licensed warehouses the agricultural bills of the multi-purpose co-operatives operating as marketing societies could be made negotiable by the Reserve Bank through its Agriculture Credit Department, on the guarantee of the regional authorities under the Land Commission.

As a matter of fact under the auspices of the Land Commission, all State assistance in the shape of better seeds, manure and implements at cheap rates should be made available to these co-operative joint farms, which may be, in the early stage, quite a good number in a single village, through the village multi-purpose co-operative society. It would be easier for the Land Commission to reach the joint farms and individual farmers through the multi-purpose society.

The Government should also assist these co-operative joint farms, at Government's cost, to consolidate their holdings.

According to Capt. Mohite, one of the ways in which the Government could help the formation of co-operative farming societies is to give preference to such societies in the distribution of canal and tank water. Mixed farming is essential for the success of co-operative farming and it becomes easier when the cultivators have not to depend on the freaks of monsoon. The Government should also assist the co-operative joint farms in organising suitable agro-industries because even when these uneconomic holdings come under voluntarily organised co-operative joint farms there would be a lot of unemployment and under-employment. The holdings which are pooled in a small co-operative joint farm are after all units in which there was no full employment before. Pooling of the units and provision of irrigational facility and other improvements may increase the volume of employment and may make simple division of labour possible, but for full employment of the man power and the bullock power there should be alternative employment.

The stability and progress of co-operative joint farming would very much depend on the stabilisation of agricultural prices. During the last depression work of years was undone in as many weeks. Prices came down crashing, the best organised co-operative societies met with ruin and distress. (We discuss the question of stabilisation of prices in a separate chapter.)

54. Conditions of Success.—Among other conditions leading to the success of co-operative joint farming are: (1) Wise leadership, (2) Equitable distribution of products, (3) Capacity to put in hard labour and undergo privations in the early stages, and (4) Maintenance of individual interest.

We feel that in the early stage co-operative joint farming should never be carried to the extent of collectivisation whatever might be the ultimate development. As a matter of fact the small co-operative joint farms which we recommend would not make the peasant feel lost in the co-operative joint farm. As one of the objects to be attained in the constitution of the future agrarian pattern is to develop the individual personality of the peasant we think that good results may be achieved if the farmers are allowed to have some homestead land where they can raise their kitchen garden vegetables and some personal requirements like tobacco, pepper and other things. We are, however, opposed to allowing any farmer to pool a part of the holding into a co-operative joint farm and to keep the rest under individual cultivation. In Russia, years after the Revolution, when members of the collective farms were allowed to have homestead farms, collective farms began to be neglected. In some co-operative experiments we found that farmers did not give as much attention to the lands pooled in the co-operative farms as to the lands under their personal cultivation. As co-operative joint farming would be an essential feature of the future agrarian pattern and its early success would greatly deter-

mine the future progress of this type of farming, care should be taken so that nothing may detract from its attaining full momentum.

It goes without saying that the success of the co-operative joint farm would very much depend on wise leadership. It will take time to train indigenous leadership from the peasants themselves. In the early stage, these farms, specially the experimental ones, will have to work as state-cum-co-operative movement. The primary task of the Land Commission in which would vest all powers of management of land, should be to train up immediately a band of workers who will be able to guide these experiments and the illiterate peasantry with sympathy and a sense of service. (We discuss this question in greater detail in the next chapter.) We agree with Capt. Mohite's recommendation that the work of organising these co-operative joint farms in a province should be directed by a Provincial Co-operative Farming Board* which should, according to us, work under the Land Commission.

55. Publicity.—We have already stressed the importance of publicity for making co-operative joint farming popular. In the first year in each taluk at least two experiments in co-operative joint farming should be organised under the auspices of the regional authority of the Land Commission and through the following ways the results may be propagated among the peasantry:

- (i) Wide publicity in the press and by leaflets regarding the successful details of the co-operative farm ;
- (ii) To introduce lessons on co-operative farming in the text-books used in the primary and secondary schools ;
- (iii) To arrange the visits of farmers and school boys to the successful co-operative farms ;
- (iv) To enlist the help of non-official public workers in whom people have confidence. Caution should be exercised in enlisting non-officials.

We have found that co-operative organisers are being appointed whose only qualification is affiliation to a political party. Co-operative farms have come to grief on account of such non-official co-operation.

- (v) To arrange radio talks and co-operative weeks.

56. Multi-purpose Co-operative Society.—We have recommended in Chapter I that each village should have a multi-purpose co-operative society of which the individual farmers as well as the co-operative joint farms should be members. In the place of one society dealing with only one aspect of the economic life of the cultivator as has been the case so far, efforts should be made to bring all aspects of the life of the cultivator within the compass of the

* See Chapter IV of the Report.

same society. A multi-purpose co-operative society will tackle credit, better farming, marketing of agricultural produce, cattle welfare, organisation of suitable agro-industries and supply of consumers' goods. Thus a multi-purpose society stands distinguished from the single purpose co-operative. The compass of activities of a multi-purpose co-operative society would be so large that the whole village population could be included in its membership for one or the other benefit accruing from it. The non-agricultural population should join it for the benefit of just distribution of consumers' goods.

Multi-purpose vis-a-vis single-purpose.—The question arises whether it is possible to organise the “whole village population especially the small and medium farmer in a single co-operative society serving such a variety of purpose”. No less an authority than the Royal Commission on Indian Agriculture was opposed to such form of co-operative society.

*“The credit society has proved easy to manage; its principles are readily understood; its requirements are within the capacity of the villagers to provide and it has done much to inculcate the value of self-help and of mutual help. A successful credit society is the best basis on which to organise other types but it is not easy to educate the people to the advantages of those types. Debt is felt as a burden but there is not the same ready appreciation of the value of joint purchase and sale, of insurance or of the many other schemes with which experiments have been made. Where business activities are involved, business management is required, and it is not easy to find the capacity for this form amongst the members of societies. Such talent in this direction as exists usually prefers to find scope in working for private gain and several promising societies have come to grief owing to the secession of an important office-holder, who, seeing the possibilities of profit, decides to put his own interests first and to start a rival business. Lack of training in such matters as the combined purchase of agricultural requirements and the sale of produce has limited the choice of members of committees, and, where the men most fitted to serve in this capacity in credit and non-credit societies are the same, the question arises whether the same society should serve more than one purpose or whether there should be separate organisations for separate objects. No hard and fast rule or practice in this respect has yet been established in any province. Where the secondary object is of minor importance, such as the distribution of seed once or twice a year, or where the work involved is too slight to justify the establishment of a separate society, the credit society has usually undertaken the additional duty. But, where the new object is of such a different character that it appeals to a different membership, separate societies are usually formed. The fact that, under the law, rural credit societies must have unlimited liability is recognised as an impediment to their undertaking business for which limited

* Royal Commission on Indian Agriculture—p. 467.

liability is more suitable, and, where societies with unlimited liability are undertaking other functions, it is usual to keep separate accounts of the latter. We found that, on the whole, the single purpose idea met with general acceptance, and that, where exceptions occurred, these were based on reasonable grounds. The multiple purpose society is nowhere advocated on grounds of policy; it is usual to describe the objects of a society in the bye-laws in such a general way as to permit of secondary functions being performed without a breach of the law, but this is for convenience only and has not led to societies attempting to combine incompatible activities or risking their unlimited liability in transactions for which it is entirely unsuitable."

The objections of the Royal Commission to multi-purpose co-operatives are twofold :

- (a) The society will require continuous and competent guidance and supervision to an extent which is unlikely to be forthcoming ;
- and (b) That while there are certain purposes for which it is essential that a society should be constituted on the basis of unlimited liability, there are certain other purposes for which unlimited liability is undesirable and these cannot be satisfactorily combined.

The Agricultural Credit Department of Reserve Bank of India has expressed just the contrary views in their Bulletin No. 1.

" In recent years co-operation has included in its programme other economic aspects by establishing societies for the consolidation of holdings, purchase and sale societies, compulsory education societies, better living societies, and so on, and considerable progress has been made on these lines in several provinces like the Punjab, Bombay, etc. But even now co-ordination of these activities is lacking. Where separate societies of these kinds exist for different members, no single member gets all the benefits which are required to put him on a surplus economy. To carry out the scheme to its logical conclusion there must be as many societies in each place as the problems which give rise to the deficit budget, each endeavouring to do one particular service to the peasant to enable him to save expenditure or increase income. The possibility of organising the co-operative movement in India in this manner is remote. Even if this was practicable it would result in considerable waste of effort and duplication. It is also doubtful if such separate disjointed efforts can achieve a single goal. The Indian peasant himself is the greatest stumbling-block in the way of progress of such a scheme. He is ill-educated and conservative, with no incentive to improve his standard of life. Having become inured to a very low economic condition for a long time it is difficult for him to change his whole outlook on life, his habits and methods of work. What is possible in advanced countries like Denmark, where the whole business of agriculture

is organised on economic lines and where the farmer knows his own business, is not therefore possible in India. Here it is not easy to create in the farmer an enthusiasm for all kinds of new activities at once. He cannot be induced to join a number of organisations. He is happy when all needs can be satisfied by the same agency, and is used to the money-lender-trader who supplies all his wants. His whole psychology of life must be changed and if this is to be done it is necessary that he should be taken up as a whole man and that all the aspects of his economic life should be dealt with by the same agency." *

The Madras Committee on Co-operation agreed with the views of the Reserve Bank and pointed out that if societies expanded their activities in the first instance even up to the limits laid down in the present bye-laws, the full-fledged multi-purpose societies would be the next step in evolution. The 13th Conference of the Registrars of Co-operative Societies in 1939 resolved that provinces should experiment with multi-purpose co-operative societies to ascertain more clearly the conditions under which they are likely to thrive and the form which they should take with special reference to their area of operation, liability and purposes.

The Famine Enquiry Commission in the Final Report was of the opinion that co-operative farming must of necessity involve multi-purpose co-operation ; that the difficulties referred to by the Royal Commission on Agriculture could be overcome by a suitable type of co-operative organisation adopted to the requirements of the small and medium farmer ; and that an essential feature of this type of organisation is the federation of multi-purpose village societies organised on the basis of unlimited liability into multi-purpose co-operative union constituted on the basis of limited liability.**

In 1947, the Bombay Government appointed the Nanavati Committee on Agricultural Credit Organisation. While suggesting reorganisation of the co-operative banks to make them a suitable agency for agricultural credit, the Committee recommends, " Looking to the economic and social conditions in rural areas, the normal policy should be to organise multi-purpose societies only and to convert existing village primaries into multi-purpose societies, preferably on the same liability. Such societies should satisfy the normal cultivation needs of the members as well as supply credit for agricultural needs. In most provinces, however, unlimited liability has not been helpful to the progress of co-operative credit and the trend of thought is in favour of limited liability. Therefore, except where unlimited liability has produced good results, the liability of the refined and reorganised primary society should be limited either to the value of shares held by a member or a multiple thereof,

* Famine Enquiry Commission's Report, 1945, p. 318.

** Famine Enquiry Commission, p. 320.

provided that a substantial part of the funds required by the society can be raised by share capital.*

Progress of experiment in Multi-purpose Co-operation.—The multi-purpose co-operative society is no longer a matter of mere theoretical discussion. It has been successfully experimented in a number of provinces. In the U.P. about 2,000 village societies of the multi-purpose type were formed and if the Congress Ministry before the war had continued in office, the scheme would have made a rapid progress. The U.P. Government has a scheme of experimental multi-purpose co-operative societies in about 3,000 villages. The idea is to select a compact area in which a society has to be set up. Primary societies are to be formed. Then there will be unions for certain purposes and each union will cover about 100 villages. There will be a district co-operative federation. According to the plan marketing of agricultural products would be compulsorily done through the multi-purpose co-operative by all peasants of a village if the majority voluntarily agree to the idea. There are standing instructions to the departmental staff to convert the existing good credit societies into village banks and organise new societies only on the multi-purpose basis. In Bombay, according to Captain Mohite's Report on Co-operative Farming, there are 271 multi-purpose societies in the province. In Bengal, multi-purpose societies have been set up mainly to integrate credit and marketing in order that the future societies should deal with the "whole man"

We are confident that the peasantry will take to the multi-purpose co-operative easily, because the peasant is used to deal with one institution for all purposes, e.g., the village money-lender. He approaches the money-lender for credit, both short-term and long-term, gets the consumers' goods and disposes of his marketable surplus through him. The multi-purpose co-operative would replace the money-lender and would naturally fit into the psychology and economic background of the peasant. The introduction of the multi-purpose co-operative would also economise trained personnel and establishment charges. It will introduce the much needed co-ordination in the matter of tackling the agricultural problem.

According to us the multi-purpose co-operative should be the only agency for the disposal of the marketable surplus. No individual peasant should be allowed to market his surplus, individually or through any other agency except the multi-purpose co-operative. We agree with the recommendation of the Co-operative Planning Committee regarding the linking of credit with marketing. The Co-operative Planning Committee recommended that one of the conditions of the loans given to the primary co-operative society should be that each member will sell all the marketable surplus of his farm produce through this primary society alone. In Chapter V on Marketing, Finance and Agricultural

* Report of Agricultural Credit Organisation Committee, Government of Bombay, p. 16.

Indebtedness, we discuss in greater detail the organisational frame-work of the marketing societies. The Co-operative Planning Committee recommended organisation of at least two co-operative better farming societies in each district. We consider this too slow and recommend that there should be one society in a region with a population of 10,000 by the end of ten years.

The Co-operative Planning Committee recommended State aid for such societies in the shape of (1) expert staff, (2) long-term loans for buildings, permanent improvement of land and expensive agricultural machinery and (3) intermediate term loans for the purpose of cattle and equipment and inexpensive agricultural machinery for the use of the members.

Each multi-purpose society in Bombay receives at present an annual subsidy of Rs. 150 or half the cost of management and propaganda, whichever is less, for the first three years. The Nanavati Committee on Organisation of Agricultural Credit recommends Rs. 300 (Rs. 500 in exceptional cases) or half the cost of management and propaganda whichever is less.*

57. Relation between Co-operative Joint Farms and Village Multi-purpose Co-operatives.—It may be argued that the constitution of a number of co-operative joint farms within the village and multi-purpose co-operative for the village as a whole might lead to a conflict of jurisdiction. It might create conditions in which the co-operative joint farms may be deprived of many of their functions. But we on the contrary feel that the simultaneous functioning of co-operative joint farms and the multi-purpose society in a village would bring about a better understanding among different groups of farmers and among different rural interests and, therefore, a more regulated and more just approach to the solution of the agricultural problems. We have found in the course of our tours that the multi-purpose co-operatives in many places are the instruments for the domination of the illiterate peasantry by a handful of better equipped and better placed agriculturists. The distribution of better seeds, implements, manure and other agricultural requirements through the multi-purpose society has not worked to the benefit of all alike. The organisation of small co-operative joint farms would to a great extent remove this difficulty. The small peasants would be in a position to formulate their demands and give a better shape to their ideas about agricultural improvements in meetings of their own farms and represent their case in a more systematic manner in the meeting of the multi-purpose society. In the absence of such an organisation, the meeting of a multi-purpose society becomes a babel of tongues which gives an opportunity to the more substantial section of the village in pushing their own interests. We are, therefore, of the opinion that the organisation of small co-operative joint farms and, at

*Report of Agricultural Credit Organisation Committee, Government of Bombay, p. 41.

the top of such farms and individual farmers, a multi-purpose society would, instead of leading to conflict, pave the way for concord and harmony.

The expansion of the co-operative movement should not be at the expense of the soundness of the movement. The need of caution is all the more because our scheme of co-operative joint farming for all below-basic holdings and one-multi-purpose co-operative for one village is far more ambitious than the Co-operative Planning Committee's recommendation that 30% of rural population and 50% of villages should come within the scope of the Co-operative Movement in two five-year periods. We are confident that the structural change in the agrarian pattern, the new scheme of rights in land, integrated control by the Land Commission and the administration of agrarian reforms including co-operative organisation by a new band of workers, the readjustment of old debts and the reconstitution of rural finance will all contribute to the speedy but sound expansion of the co-operative movement.

A Note on the Co-operative Joint Farms visited by the Committee in course of its tours

ASSAM

The Missamari Co-operative Colony.—An area of about 10,000 acres in Tezpur sub-division of Darrang District in Assam, at the foot of the Bhutan Hills, was requisitioned by the Government of India in 1942 for the construction of an air-field which was operated by the Americans. After the end of hostilities the area was derequisitioned and after some haggling the Government of India agreed to settle it with the Government of Assam. The original landholders, some of whom had about 40 to 80 acres of land, demanded the restoration of their land. The Government of Assam, however, proceeded to lease out land in a systematic manner to the original settlers on the basis of economic holdings, i.e. about 10 acres, on the understanding that they would co-operate with the co-operative scheme. Assam is surplus in rice. The intention of the Government was to utilise these high lands for growing wheat, pulses, mustard, sugarcane, ground-nut, etc., in which Assam is deficient.

The Missamari scheme proceeded on the basis that the economic holding should be sufficient to give the average family a balanced diet and an income sufficient for necessaries and while being the property of the occupier, it should have the help of co-operative organisation. At the same time there should be blocks of land held by the co-operative society which would be farmed jointly by those persons who were not fully employed on their family holdings. It was decided to settle initially 200 families of the locality and 50 ex-servicemen.

The actual organisation of the colony started with the appointment of an influential Congress worker of the area as adviser to the co-operative farm on an honorarium of Rs. 200 per month. He was also a religious head and had some influence over the inhabitants. A model-village officer was deputed there. A publicity van was sent to the place for propaganda. The Food Minister too visited the place and explained to the villagers the advantages of co-operative cultivation. A medical officer, a Superintendent of the colony and other men were also appointed.

At the same time very elaborate bye-laws were drawn up for the Missamari Co-operative Colony. All the colonists were to constitute the general body which was to elect an Administrative Council which again had to elect an Executive Committee. The bye-laws lay down the qualifications of people who were to constitute the general body, the Administrative Council and the Executive Body, their functions and powers, provisions for exclusion of members, transfer of shares, nomination of heirs, etc.

The bye-laws provided that the society should hold the lands allotted to it in occupancy tenancy. No land was to be let to non-members and no holding or a part thereof could be sublet by a member to another member or non-member. Nor could he mortgage or otherwise encumber his holding. It is also laid down that on a member's death, his holding would not be partitioned. The land initially allotted would be free of revenue for the first year, and in the second year it would be assessed at 50% of the usual rates of revenue prevailing in the locality. Full revenue would be assessed from the third year and usual local rates would be assessed from the second year.

It was also provided that the society should pay the revenue, water-rates and other dues to the government and the rent, etc. recovered from the members should be so assessed as to cover these payments and bring in a surplus to the society.

The bye-laws lay down the following provisions for the distribution of the profits. After allocating 25% of the net profits in each year to the reserve fund, interest of 4% would be paid on deposits. If, however, the net profits did not enable a 4% interest a nominal interest would be paid. After providing for the above, a sum of 10% of the remaining net profits might be distributed as honoraria and bonuses to the office-bearers and employees of the society in accordance with the decision of the Administrative Council. A sum not exceeding 12½% of the remaining net profits might be distributed as dividend on share capital. A sum not exceeding 50% of the remaining net profits might then be allocated to any fund or funds connected with the interests of members of the society. A portion of net profits remaining after the above might further be allocated to the Reserve Fund. The remainder of the net profits should be distributed to members as a rebate or patronage dividend in

proportion to the money-value of the business transacted with the society both as buyers and sellers.

There is no provision in the bye-laws about the method and organisation of the day to day work on the co-operative farm, the assessment of labour put in by the workers there and the computation of the value of work done by them.

The Committee visited the Missamari colony and from discussions with the peasants it was found that the colonists knew little or nothing about the new experiment. This may partly be explained by the fact that the venture was just started and new ventures like co-operative farming among an ignorant and illiterate peasantry, by nature conservative and individualistic, will of necessity take time. But that bureaucratic methods of organisation, appointment of high paid officers and absence of zeal amongst the organisers more keen on drawing their salaries and filling up the routine registers rather than actually being with the people and making the enterprise a success through ceaseless patient work, did play a major part in making the Missamari scheme look like a lifeless affair, was borne out by the examination of witnesses by the Committee at Tezpur. One of these, the principal of a college and a member of the A.I.C.C., held that Government did not proceed on sound lines. They appointed an officer who did not go there. The thing could not be managed from Shillong. The officer should have lived on the spot and won the confidence of the people. A tractor was sent to the Missamari colony but it could not be used because all the necessary implements required were not available. The salaries of the technical staff who had been appointed already were a drain on the Farm's budget.

The Committee also came to know of about 10 co-operative farms at Tezpur, started on Government Reserve lands under the aegis of Congress Panchayats (of Sootea Salalgaon, Gorahagi, Besseria, etc.) for winter crops. A Congress M.L.A. who deposed before the Committee claimed that the attempt had succeeded. In one case Patta lands were cultivated on co-operative basis and equal shares were given to the landless as well as those who had no plough cattle. In the Government land of the co-operative farms the participants had no individual rights.

They cultivated the co-operative plots over and above their individual holdings.

The Committee did not visit these farms and so could not check up the claims made.

UNITED PROVINCES

The Ganga Khadar Scheme.—The Ganga Khadar (the riverine tract of the Ganga) scheme of the U.P. Government was launched in December 1947, in Hastinapur Pargana of Tehsil Mowana of Meerut District. The Khadar covers an area of 47,000 acres of which 22,000 were culturable and the rest

were forest and grazing lands. A survey report described the heart of the tract as "a waste of long grasses and thorned bushes with out-crops of re-infested land and patches of cultivation generally round scattered hamlets surrounded by trees".

By January 1949, when the Committee visited the Khadar, nearly 10,000 acres out of the culturable area of 22,000 acres had already been reclaimed. The tractor units of the Central Government completed the initial breaking up of the virgin soil within four months and in another three months the Provincial Tractor Organisation double-harrowed the land for Kharif sowing. The Kharif crop yielded 40,000 maunds of paddy, 72,000 maunds of sugarcane, besides 33,000 maunds of Juar fodder. Under Rabi sowing, 3,730 acres were under wheat, 2,700 acres under barley, 189 acres under oil seeds, 99 acres under oats and 59 acres under peas.

The refugee settlers who began arriving in the first half of 1948 were housed in six villages consisting of about 425 living quarters. Another 929 houses were being constructed. By January 1949, about 800 families, mostly refugees, with a total membership of 3,218 were allotted land and settled permanently. Nearly 550 persons were enrolled as labourers with a view to teach them the process of cultivation (most of these having been urban dwellers in West Pakistan). After this initial training they would be allotted land and houses like other settlers. The officials told the Committee that this preliminary step was necessary to ensure that the settlers carried on personal cultivation. For it was evident that certain early town dwellers who were allotted land, were not able to go through the dreary processes of cultivation and were sub-letting land to the local landless and land-hungry people.

The cultivated areas are divided into square blocks of 160 acres each, which is further divided into 4 blocks of 40 acres each. These are further divided into blocks of 10 acres representing the normal holding of each farmer.

The original plan of the U.P. Government for settlement of reclaimed land in Ganga Khadar was of the "Joint Farm Management" type. According to the co-operative officer of the Colonisation Directorate of the U.P. Government, this implied that land was to be pooled by consent or agreement for the purpose of farming operations but the individual who would contribute land to the common pool would receive, in addition to a dividend based on the work which he puts in, his respective share at harvest as based on his original right of owner occupancy.

Co-operation in agriculture was to include not only credit but the various agricultural operations, namely, ploughing, harrowing, sowing, watering, harvesting, etc., and extend further to co-operative marketing, processing and even co-operative industries.

The Committee gathered from the settlers that for Kharif sowing

the means of production were pooled and harvesting was done jointly. When, however, Rabi ploughing and sowing commenced, every settler family worked individually on its own 10 acres and there was no co-operation in the operations of cultivation and harvesting. The reason given was that the joint farming did not work well, that there were disputes about one individual working harder and the other avoiding work. Further distribution of the harvest caused heart-burning amongst people who were otherwise living together on most friendly terms.

Following the failure of joint farming, the settlers were organised into nine multi-purpose co-operatives. Each co-operative unit was a society which had been formed on the basis of 100 to 150 members who had been allotted 10 acres of land each. The 10-acre unit was indivisible and was to pass on to the senior male heir of a member. For purposes of marketing the society as a whole was one unit and every member had to market his produce through the society. The societies also arranged loans for their members on the joint and several responsibility. For purposes of administration, and for the organisation of co-operative societies, 100 farms of 10 acres each constituting a square block of 1,000 acres, divided by roads—are taken as one unit so far as geographical conditions permit. One set of agricultural inspectors and similar officials were attached to each block. The original idea was to form one village each for 100 families but this was not practicable because only a limited space was available at the higher levels which are not affected by the Ganga floods.

The co-operative officer of the Colonisation Directorate of the U.P. Government says that in square blocks of 160 acres, ploughing is still done jointly. This, however, does not conform to the Committee's findings that co-operation was confined only to marketing, purchase, etc. and agricultural operations were performed on each block of 10 acres by the settler and his family.

In Latifpur, a village in the Khadar, the U.P. Government organised a State farm in an area of 1,000 acres. It was under the direct control of the Agriculture Officer and the Administrative Officer. Two units of the U.P. Government Tractor Organisation were permanently stationed there. Their function would be to carry on agricultural operations on the farm and also to do similar work for those settlers who chose to hire them. Its chief function would be to act as a central seed station and demonstration farm for the Ganga Khadar Colony.

Besides this State farm, the Government planned to organise a collective farm on another 1,000-acre plot on the Russian model. It would accommodate about 80 families. They would have no individual holdings and will work on a collective basis. They would be paid wages partly in cash and partly in kind, according to the unit of work put in by each.

Besides these, there were two other societies in the colony, namely the Co-operative Store and the Sarojini Naidu Women Industrial Society.

The co-operative store was working with a capital of Rs. 13,000, of which Rs. 1,500 was collected by the colonists themselves and the rest was advanced by the Government. It dealt in controlled foodgrains like wheat, gram, etc. and also in cloth, kerosene oil and other articles of grocery.

The Women Society had no funds. It had taken up only basket and mat-making which required no funds. It was proposed to take up shortly spinning, weaving, knitting and carpet-making when some funds were made available through Government subsidy.

A sum of Rs. 5,38,000 had been advanced in the form of loans to the settlers for the purchase of bullocks and implements.

It was expected that after the reclamation and settlement of all the 22,000 acres of cultivable land, 24 multi-purpose co-operative societies would come into existence in the Khadar. It was expected that these societies would not only run the farms but also manage public institutions like dispensaries, schools, panchayat houses, water supply, etc. It was expected that they would act as the link between the Government farms and the farmers for the purchase and sale of seed, milk and milk products, poultry, eggs, etc. It was planned to develop six water fisheries which would help to keep down malaria.

The Co-operative Farm at Darauna and Nanwara in Jhansi District, U.P.—Destruction of the productivity of land due to kans infestation is a feature of land throughout Bundelkhand. Jhansi District alone has 2,50,000 acres of land under kans of which 66,000 acres are in Mehrauni tehsil. It is a most backward tract with no irrigational facilities and compared to the densely populated tracts in East and West U.P. it is rather sparsely populated. There is thus an abundance of land. The general practice of the cultivators in this area has been to cultivate a particular field and after gathering the harvest to pass on to another field and come back to it after two or three years.

The provincial Government selected 14 villages for launching their kans-eradication scheme in tehsil Mehrauni of Jhansi District. The kans-infested area was estimated to be 10,000 acres. For this purpose they had 17 tractors from the Central Government Tractor Organisation. Subsequently eight more villages were added to the kans-eradication scheme thus raising the total area covered to 14,000 acres. The tractor ploughing commenced in March 1948 and by June of the same year about 7,015 acres of land were cleared.

With each tractor there were one cleaner, one driver and one mechanic. No previous survey of the soil having been made, the land at some places was found to be full of stones with the result that the tractors were badly damaged and had to be sent to Delhi for repairs as the local station provides for only minor ones. Sometimes tractor ploughing was held up due to shortage of fuel.

No arrangements were made to train local hands in tractor ploughing. The officials told the Committee that the expenses of tractor ploughing worked out at Rs. 40 per acre but it was decided to charge only Rs. 12-12-6 per acre to the cultivators.

For purposes of this over-all plan of developing the 14 kans-infested villages, co-operative societies of the multi-purpose type were started in each. According to an official deputed at the place, these societies, apart from credit functions, have also to look after better farming, dairying, spinning, marketing and production of food and cloth with a view to self-sufficiency. He further claimed that one responsible member of each family in every village had become a member of the society. According to him the societies covered a total area of 30,578 acres with 1,932 families consisting of a population of 8,783 persons. All the societies were registered and combined together in a development union with headquarters at Saidpur. This union has 1,598 members on its register and has a share capital of Rs. 2,000.

Organisation of the co-operative farm experiment in villages Darauna and Nanwara is an integral part of the over-all plan for development of this kans-infested tract. The scheme was started in June, 1948.

The total area of land covered by village Darauna is 597 acres including Abadi, etc. Of this 418 acres have been taken in the co-operative farming scheme. The total area in village Nanwara, including Abadi, pathways, water channels, etc. is 1,164 acres of which 502 acres were brought under tractor ploughing and pooled in the co-operative farm. The total population of Darauna is 168 and the number of families is 31. Resident cultivators number 29 and outside cultivators (*Pahi Kashtkars*) are 27. Nanwara has 85 families and the total population is 465. Resident cultivators are 71 and the *Pahi Kashtkars* number 14.

After the tractor ploughing a few hundred maunds of *Sanai* seeds were sown on the land. When the crop was about two and half months old the plants were ploughed in as green manure.

In the Kharif season, 318 acres were sown with *Jowar*, 53 acres under *Til*, and 10 acres under *Urd*. The area under Rabi crops was increased, 320 acres being sown with wheat and 230 acres with gram, besides some other crops like Arhar, linseed, etc. Thus by the time of Rabi sowing, about 633 acres of land of villages Darauna and Nanwara were co-operatively cultivated. For Kharif sowing the District Collector advanced a loan of *Jowar* seeds. The co-operative also procured manure and seeds for the Rabi sowing. A plan was prepared for the entire area under co-operative cultivation. It provided for tracks for carts for carrying fodder etc. from the fields, for compost pits, for irrigation channels and for pastures, etc. The sizes of holdings to make them economic units of cultivation were increased by breaking down the old boundary walls. The lands were thus pooled without depriving the cultivators of their

rights in their holdings. The petty zamindars of the area also joined the co-operative scheme.

A total of 120 ploughs and 240 bullocks, all of them belonging to the members of the co-operative farm, were made available to the society. The Government also advanced *taqavi* for the purchase of bullocks. A cultivator with a holding of 8 acres could get *taqavi* for the purchase of a pair of bullocks. Those with twice this holding could get *taqavi* for two pairs of bullocks and so on.

All the members of the co-operative farm constituted what might be called the general body of the farm. This general body was supposed to take decisions on such vital matters as the sowing programme, fixation of wages, distribution of profits. As against the Missamari scheme, where elaborate bye-laws were drawn up before the co-operative cultivation scheme could make any headway, the Committee found that at Darauna and Nanwara, even after the actual co-operative cultivation had advanced to a considerable extent, no rules or bye-laws had been drawn up.

For the supervision of the day to day work the general body elects an Executive Committee called Panchayat. A Committee of five persons was thus elected at Darauna and of seven at Nanwara. The Panchs were made responsible for supervising various jobs, e.g. sowing work, guarding the crop against wild animals and the villagers themselves, weeding, threshing, etc. The responsibility of one supervisor was to maintain the attendance register.

Some of the cultivators had no bullocks. Those who had them are paid rent for a plough and a pair of bullocks when they were used on the farm at the rate of Rs. 2 per day. At first those having good bullocks were paid Rs. 2-8-0 per day and others Rs. 2. This led to dissatisfaction and subsequently the general body agreed to pay for the plough and a pair of bullocks at the uniform rate of Rs. 2 for each day's work. On such days when the ploughs and bullocks available in the co-operative pool proved insufficient, these were taken on hire from the neighbouring villages for which the rent paid was Rs. 5. The general body also decided about the wages to be paid to the workers for each day's work. A day's wage for weeding and harvesting was fixed at Re. 0-8-0 for men, Re. 0-6-0 for women and Re. 0-5-0 for children.

In the neighbouring villages a labourer gets Re. 0-12-0 per day as against Re. 0-8-0 on the co-operative farm. To the question as to how the co-operative organisation provided against persons supposed to work on the co-operative farm, if they went to the neighbouring village where they get higher wages, the reply was that the general body had decided that after a continuous absence of six days, the absentee was fined a day's wages plus two annas.

There were also cases where a cultivator had his land in the co-operative as also outside it, in some neighbouring village. The general body had

provided that such persons could have six days in a month to go and look after these fields. In most cases a member of the family was deputed to look after them.

As regards distribution of the profits, the Committee was told that the matter would soon be decided by the general body. But the officials told the Committee that 25% of the net profits would be given to the Reserve Fund. The net profits would be calculated after deducting the cost of cultivation including the wages paid to the labourers and the amount paid towards the rent of ploughs and bullocks, etc. The shares of each member of the co-operative farm was fixed according to the area of land contributed by him. Land was further classified under class I and II, according to the circle rates.

On the whole, the Committee could not get a very clear picture of the distribution of gross income of the co-operative farms at Darauna and Nanwara. The U.P. Development Minister, while deposing before the Committee, when asked how he proposed to distribute the profits at Darauna and Nanwara, replied: "It is a difficult question, but we propose to assess the value of land and capitalise each farmer's value from the point of view of bullocks and cattle, the nature of the soil, and the individual talent of the farmer, and then distribute it according to the proportion of the land that the cultivator holds."

According to the co-operative auditor attached to the farms, the expenditure incurred for Kharif as well as Rabi crops came to Rs. 45,627 which included wages paid to the farm workers, i.e. the peasants of the village. Rs. 14,570 was the expenditure on seeds supplied by the Government at controlled rates. In its absence the peasants would have gone to the *Sahookars*, and, according to the estimate of the auditor, would have paid an additional amount of Rs. 7,000. The income is expected to be Rs. 89,675 which, after deducting the cultivation expenses, will yield a net profit of Rs. 44,048. Net profit per acre had been estimated at Rs. 50. The auditor further estimated that each family would earn from labour annually about Rs. 430. The total income is likely to increase in future by the use of better implements, manure, etc.

The Committee met the peasants separately in the absence of the Government officials attached to the farm, with a view to find out their free and frank reactions. Some of these peasants were the elected Panchs. Hardly one or two among them could sign their names and their ignorance and backwardness was indeed colossal. It was evident that the officers had taken meticulous care to keep the records in very good shape so as to impress any visitor, but the records were not indicative of the real position. The peasants complained of coercion and threats. One of them alleged that he was threatened with imprisonment if he refused to join the co-operative farm. There was also a widespread complaint about the non-payment of wages. Some peasants, on the other hand, said that they joined the farm of their own free will and no

coercion was used. There were others who said that they had received the greater part of their wages, only a small portion remained to be paid. Peasants also complained that after the organisation of the co-operative farm they were finding difficulty in getting fodder for their livestock.

It is obvious that the Darauna and Nanwara co-operative farm, while no doubt a move in the right direction, suffers from the control of officials lacking in missionary zeal which alone can make such an experiment a success. As one would expect, the officials are more interested in sending departmental reports rather than in patiently explaining the co-operative ideal to illiterate and conservative peasantry and winning them over through human treatment.

CHAPTER IV

Machinery of Land Management

58. Reference has already been made in the earlier chapters to a new machinery for the implementation of the agrarian reforms which we recommend. These reforms are of such a fundamental character that effective and co-ordinated implementation is not possible with the existing machinery of land management. From the following extract it would be clear that the Royal Commission on Indian Agriculture, as early as 1928, displayed lack of confidence in the capacity of the governmental machinery even for routine matters like popularisation of improved seeds among the cultivators.

“ It is quicker and easier in so many cases to do something for others than to teach them to do it for themselves, and the narrow limitations to the former method are apt to be overlooked. A considerable amount of seed can, for instance, be distributed by the official staff of the Agriculture Department and a million or more acres may be covered with a new type of cotton or wheat ; but this result, although satisfactory in itself, is a comparatively small contribution to the problem of covering every acre in India with good seed of an improved type. [Where the problems of half a million villages are in question, it becomes at once evident that no official organisation can possibly hope to reach every individual in those villages. To do this, the people must be organised to help themselves, and their local organisations must be grouped into larger unions, until a machinery has been built up to convey to every village whatever the different expert departments have to send it.”*]

The Foodgrains Policy Committee (1948), while reviewing the Grow More Food Campaign observes, “ In our review the grow more food efforts have suffered in the past from the red-tape and delays inherent in departmental work ”.†

Dr. V. K. R. V. Rao in his minute of dissent in the Foodgrains Policy Committee's Report rightly observes :

“ If the approach is not changed from what I may call the technical-bureaucratic angle to the democratic-co-operative angle, I see no hope for the success of the provincial food production plans. I would, therefore, attach the greatest possible importance to the organisation of farmers' co-operatives and Village Panchayats ; I would display confidence in them and expect them to play a dynamic part in stepping up food production.”**

*Report of the Royal Commission (1928) p. 468.

†Final Report of the Foodgrains Policy Committee (1948) p. 17.

**Final Report of the Foodgrains Policy Committee (1948) p. 53.

The Gadgil Committee stressed the necessity of separating the administration of state loans from the operations of the Revenue Department, because the connection of finance with land improvement and progress in technical methods should be very close in any scheme of planned development of land.‡

While the Village Panchayat and the Village Multi-purpose co-operative would be the base of operation in the machinery of Land Management which we recommend, we feel there is need for co-ordination at various regional levels specially for crop planning, experiments in co-operative farming, organised marketing, regulation of the flow of rural finance, displacement and absorption of surplus labour, planned land reclamation and price stabilisation. In the interest of planned development of land, such bodies as the Provincial Co-operative Farming Board, Provincial Marketing Board, Wages Board, Land Reclamation Board, Provincial Rural Credit Board, Inter-Provincial River Training Commissions (recommended in different chapters of this report) should come under the control of some apex organisation e.g. the Provincial Land Commission. And as the frontiers of agricultural planning might extend beyond the bounds of a province there should be an all-India Land Commission to co-ordinate the work of the Provincial Land Commissions.

In our scheme of land management there is scope for the best elements of democracy, bureaucracy, and technocracy to come into fruitful co-operation. Each has a role to play and a contribution to make. None need be subordinate to the other. The machinery will be characterised by a fine balance of the centripetal and centrifugal forces which underlie democratic planning. Under its benign influence the people will run and learn to run "the new and old institutions of the society participating at all levels as active members of an active democracy."*

We had the opportunity of discussing our idea of land management machinery with Development Ministers, public men, Development Commissioners and Secretaries of relevant Government Departments. In some provinces, after the assumption of power by the Congress Ministries, Rural Development Boards have been constituted to bring about the much needed co-ordination among such departments as Agriculture, Animal Husbandry, Cottage Industry, Co-operatives and Irrigation. While useful work has been done by these Boards, we are definitely convinced that these Development Boards, useful in their own way, can never serve the purpose of a machinery for co-ordination in planning without which agrarian reforms and the new scheme of rights in land, however well planned they may be, will never succeed. The Advisory Planning Board referring to the Development Boards and Co-ordination Committee of the Cabinet as substitutes for National Planning Com-

‡Report of Agricultural Finance Sub-Committee, Government of India (1945), p. 33.

*Michael Young, "Small Man and Big World", British Labour Party, Transport House.

mission observes: "The members of the Co-ordination Committee of the Cabinet are necessarily pre-occupied with other affairs. The Development Board deals only with a section of the whole field and its members being Secretaries to the Government are too much engrossed with their own departmental duties to attend more than spasmodically to general problems of planning. It is, however, altogether too large a body, too lacking in cohesion and too intermittent in its meetings to serve as an instrument for keeping a continuous watch on planning activities and transmitting to subordinate authorities a constant flow of energetic pressure."*

As a matter of fact, Shri K. D. Malaviya, Minister for Development, U.P. in his oral evidence before the Committee admits that there is difficulty in co-ordination at Secretariat and District levels and that all the departments necessary for the work of development are not pooled. Besides, there is lack of definition of priorities planning—rather there is no planning at all behind all the developmental projects. Seed stores are being opened, trees are being planted, tanks are being dug and pedigree bulls are being distributed but all these activities are not related to any master plan.

The Sub-Committee of the National Planning Committee appointed by the Congress on Land Policy and Agriculture recommends: "For the proper, scientific and co-ordinated cultivation of agricultural land as well as for the control and supervision of such cultivation the net work of national, provincial, district, taluk and village agricultural councils must be established. These councils must be closely inter-connected so as to form a federation and work in constant harmony, and co-ordinated programme of land cultivation or development within its own jurisdiction framed in advance for a given term of years."**

The machinery of land management which we recommend is an amplification of the recommendation of the National Planning Committee.

The creation of this authority of land management will involve a considerable amount of devolution of powers from the provincial government and delimitation of jurisdiction of the present government departments. While we have at best given a rough indication of the nature of devolution of powers and delimitation of jurisdiction, a small expert committee to be appointed by the Central Government should examine this question and determine the exact extent of devolution of powers. We are, however, convinced that to avoid the road to serfdom a Planning State should be pluralistically organised.

59. Organisation—(i) *The Village Panchayat.*—The lowest unit in the hierarchy would be the Village Panchayat elected on the basis of universal

*Page 23.

**Page 54.

suffrage and should be constituted on the basis of proportional representation. We have already discussed the functions of the Village Panchayat with regard to the management of land in Chapter II.

(ii) *Regional Authority*.—There should be some regional authority between the lowest unit in the hierarchy e.g. the Village Panchayat and the Provincial Land Commissions. It will be constituted by the Village Panchayats and function more or less as an advisory body. Elsewhere we would indicate how this regional body may be useful in endorsing the receipts of marketing unions for goods marketed through village multi-purpose co-operatives and make it possible for the Reserve Bank to discount these bills.

(iii) *Provincial Land Commission*.—It will be a statutory body constituted under a law of the Provincial Legislature. Unless it is made a statutory body, the directions issued by this body would not be enforceable upon the subordinate bodies as well as individuals.

The Commission would be composed of the following elements : (1) representatives of the people, (2) cultivators, (3) agricultural labourers, (4) Government nominees and (5) technical experts. A non-official Chairman would be elected from the members in a meeting of the fully constituted Commission.

The Provincial Planning Commission will practically be in charge of planning, development and management of the rural economy, the centre of gravity of which would be land. Today there are different departments, e.g. Land Revenue, Irrigation, Agriculture, Cottage Industry, Co-operative Movement specially credit, etc., and there is a popular belief that these are different departments tackling different problems. Actually they are the projection of the same problem e.g. the management of land.

While the Provincial Land Commission would be completely autonomous in the administration of its policy, its general policy, however, would be subject to the approval of the Provincial Cabinet. Almost in a similar connexion, e.g. on the composition of the Planning Commission, the Advisory Planning Board recommends that no Minister should be in charge or a member of the Planning Commission.* Prof. K. T. Shah in his note on the machinery of planning rightly observes : " In view of the importance of planning as a national enterprise, it may be as well to keep this organisation directly under the Cabinet or the Government as a whole, and not make it the responsibility of any single Minister ". We do feel that unless the Commission is assured of administrative autonomy and unless dissociated to a large extent from the vicissitudes of political fortune and the freaks of a Minister, there cannot be any continuity in planning. We also feel that the Land Management Machinery to reflect the aspirations of the people and be free from the domination of the

*Report of the Advisory Planning Board, Government of India (1947), pp. 24.

technicians and bureaucrats, should include the representatives of the people. We have, therefore, recommended the five elements for the composition of the Land Commission.

The Land Commission should also submit an annual report of its work to the Cabinet which would be placed on the table of the legislature. The budget of the commission should be subject to the approval of the Cabinet. It is true that scientific planning requires complete freedom from political control and however much we may desire to make our Land Commission free from the interference of the whirlpools of political life, political ideology is bound to, and, as we have argued earlier, should, fall on the economic life. What we propose is to minimise the interference of political interests on this work of planning and development.

60. Rural Economic Civil Service.—The Land Commission will function through a Rural Economic Service specially recruited and trained for the work of planning and development over which the Commission will have complete administrative control. There would be neither adequate food for men nor fodder for cattle unless the country can raise a veritable Land Army with a crusading spirit. We are aware that in a democracy both good government and self-government are possible when amateurs rule. A professor can well manage the Ministry of Defence and a country squire can become a successful Chancellor of Exchequer. But this does not mean that an administrative officer can do the work of an expert, that a District Collector can step into the post of a Director of Agriculture. There should be men also with definite training for definite pieces of work. If reliance has to be placed on a Civil Service which was till yesterday trained for the administration of a police state under a colonial economy, such fundamental reforms as co-operative joint farming, for about 40 to 50% of the peasantry spread over distant parts of the country could never take shape. There must be a band of men who can share the joys and sorrows of the small man in his surroundings of poverty, illiteracy and ill-health. Their motto would be service, their determination steadfast, their patience measureless. We are reminded in this connection, how after the revolution, while introducing collective farming, Lenin convened a conference of the most veteran workers of the Communes. Failure any longer on our part to make the mother earth yield adequate nutrition and clothing for the people and to evolve a system for sharing the fruits of labour among the classes clustering round the agrarian economy will take the country to the verge of a revolution and the revolutionary situation can be met by nothing short of a revolutionary approach to the problem.

We do not agree with the suggestion that the work can be done by the existing cadre of service after a special training in refresher course for three months in centres of A.I.V.I.A. and A.I.S.A. Shri K. D. Malaviya admitted that as soon as these people get back into the ruts of the service, the thin

veneer of training picked up in some ashram or a camp is soon brushed off. Nor is it possible to tackle such a situation as the implementation of our reforms might create by simply maintaining a "pool of service" as the "economic service". Of course, till this new cadre which we envisage can be organised, we have to proceed with such pooling of services as are in the Departments of Industry, Agriculture, Co-operative, Agriculture, Income-tax, etc., and by giving them some training. The work of the Rural Development Department in U.P. and Madras is being carried on by supervisors and organisers trained in refresher courses in local centres of A.I.S.A., and A.I.V.I.A.

Recruitment of Rural Economic Service.—To avoid the difficulties mentioned above and to ensure the proper quality of the Rural Economic Service we recommend the following method of recruitment. We feel that the method of recruitment should be on the same line as is now followed in the recruitment of naval and military cadets.

The apprentices for Rural Economic Service must at least have passed the Matric or an equivalent examination of any recognised University and must be of the age not below 15 and above 20 years.

The selection of the apprentices should be by *ad hoc* regional boards—each consisting of one representative of the Regional Body of the Land Commission, one representative of the Regional Kisan Organisation, the Principal of the local college with a non-official Chairman who may be a person known for constructive work in rural reconstruction. In selecting the apprentices emphasis should be laid specially on the candidate's physical fitness, mental make-up and background of village life.

After the preliminary selection, the apprentices should undergo a training—theoretical as well as practical—for a period of five years in agriculture, co-operation, village industries, administration and rural development. We feel that the sequence of training should be :

- (1) Theory and technique of agriculture,
 - (2) Theory and organisation of the co-operative movement,
- and (3) Technique and relationship of agro-industries with the ruraleconomy.

For this purpose there should be government subsidized residential institutions. We feel that the cadre of the Rural Economic Service should, as far as possible, be recruited from the agricultural population.

The proficiency of the apprentices should be judged not by the method of examination as is being done at present for the recruitment of Indian administrative service, but should be on the basis of the impression of the trainers with whom they would be attached for both theoretical and practical training, and on their record of work done while under training.

After the training, the successful recruits will be on probation for a period of two years. During the period of probation, of course, they would be entitled

to the scale of pay and other privileges of the service. During this period, the members of the Rural Economic Service would be attached to co-operative farms, collective farms and marketing societies where they will have to come in daily contact with the problems of every day life. At the time of confirmation, the record of their work, specially with regard to their behaviour with the public, should be considered.

The Commission should also be assisted by an adequate supporting machinery of statistics, research for agricultural improvements, soil erosion, cottage industries, animal husbandry and an employment bureau.

61. Sources of Revenue.—For the proper functioning of the Commission it should be assured adequate supply of funds. While the Finance Department and the Auditor-General would have the necessary amount of control over the expenditure of the Land Commission, a convention should be created by which the funds placed at the disposal of the Commission would be passed by the Legislature, as *Consolidated Funds Grants* are passed in the British Parliament. To carry out their obligations the following, among others, would be the source of Finance of the Land Commission :

1. Land Revenue.
2. Irrigation Taxes, Agricultural Income-Tax (so long as the new system of assessment which we recommend elsewhere is not introduced).
3. Some other direct taxes e.g. export duties on agricultural products.
4. All grants in connection with the " Grow More Food Campaign ".
5. Loans from Provincial and Central Governments. Elsewhere (Chapter V—Rural Finance, etc.) we recommend that the State should be prepared to provide on a much larger scale the developmental finance for agriculture. The poor assistance given by the State to the Indian agriculturists under Land Improvement Loans Act can hardly bear any comparison with the assistance given by the Farm Security Administration of America or the Canadian Farm Loan Board, the Mortgage Corporation of New Zealand and Credit Agricole D'Egypt.
6. Subsidy and contribution from the centre as well as provinces for such purposes as building of ware-houses, digging of tanks, wells and anti-erosion measures.
7. All grants under Land Improvement Loans Act and Agricultural Loans Act given by Provincial Governments.

62. Central Land Commission.—While rural development is a provincial subject there are matters like crop planning, allotment of resources viz. chemical fertilisers, building materials like cement, organisation of market-

ing and dissemination of marketing news, stabilisation of prices, which emphasize the need for a Central Land Commission to co-ordinate the activities of the Provincial Commissions. The need for such a Central Board of Agricultural Planning consisting of representatives of farmers, provinces, states and Central Government was stressed by the Foodgrains Policy Committee. The Central Land Commission will also be a statutory body so that the directives issued by the Commission might be obligatory in such matters as crop planning, on the provincial and other regional bodies. Of course, suitable constitutional changes will be necessary to place the Central Land Commission on a statutory basis.

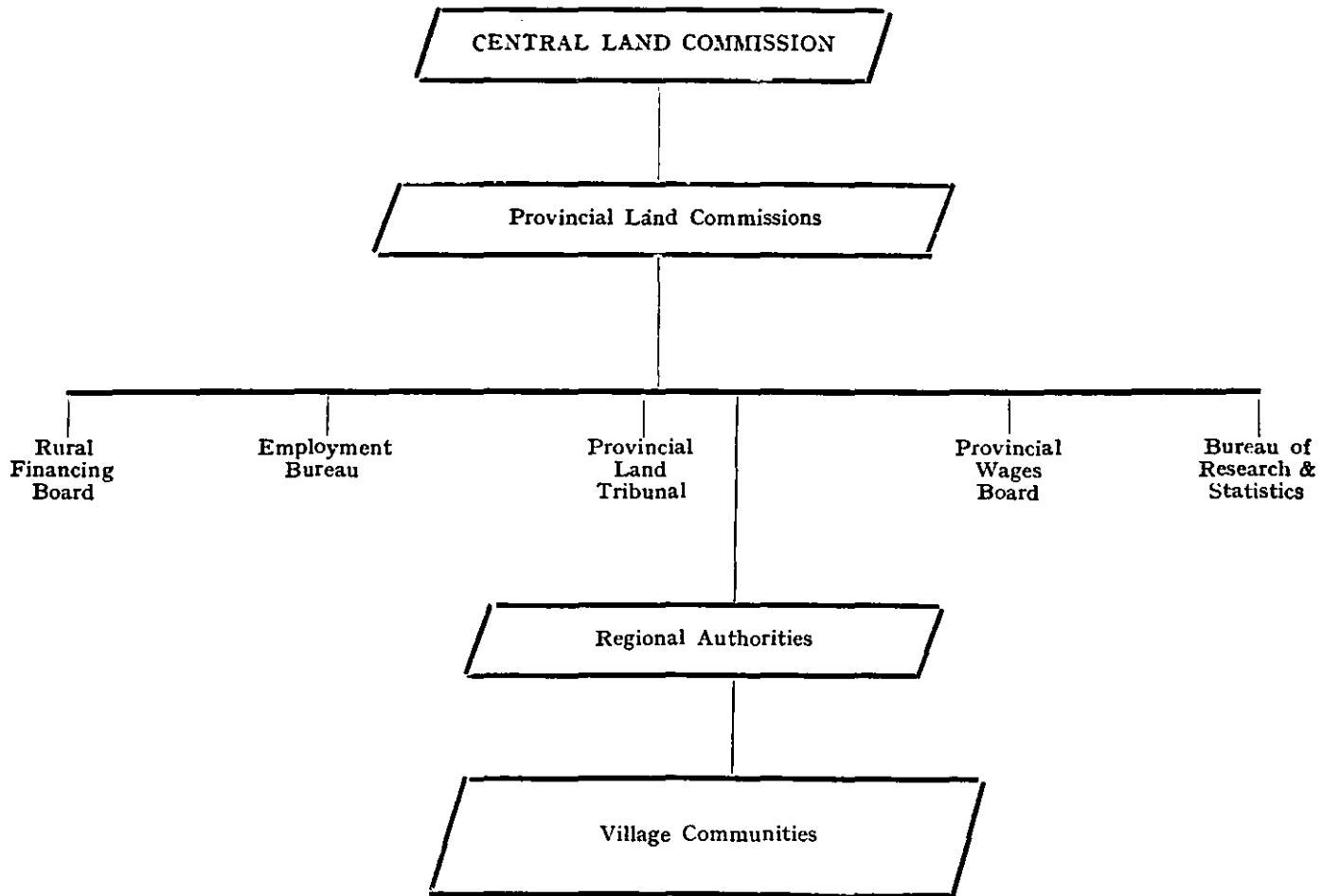
Composition : (1) The Central Land Commission will consist of Chairmen of all Provincial Land Commissions ;

(2) The Central Government would nominate a third of the number of the Provincial Chairmen ; and

(3) An equal number of experts would be co-opted in the first meeting of the nominees of the Central Government and the Chairmen of the Provincial Commissions.

The Central Land Commission will appoint a Secretary and a staff to assist him. A complete organisation chart for land management will be found overleaf.

63. Agrarian Reforms Commissioner.—The setting up of the machinery of land management recommended above and the implementation of the reforms envisaged by us will naturally be gradual in character. Agrarian Reforms Commissioners with necessary powers should, however, be immediately appointed both at the central and provincial levels. There should be provincial Commissioners charged with the task of quickening up the pace of the agrarian reforms in the provinces and also a Central Commissioner to co-ordinate the reforms in the provinces and to bring to the notice of the central authority the obstacles in the way of such co-ordination and uniform progress.



CHAPTER V

Agricultural Indebtedness, Finance and Marketing

64. The *per capita* income of the agricultural population can be increased by increasing the productive efficiency of agriculture as well as by reducing to the minimum the drain on the income of such population. No doubt there is a mutuality between the two factors—(1) that increases the income and (2) that depletes it. In the previous chapters we have dealt with factors that go to increase the income.

The two largest single factors depleting the peasant's income are the exploitation by the money-lender in his double capacity as the credit agency and the marketing agency of the village. The exploitation works like a double-edged sword—high rate of interest on the loans to the impoverished agriculturists and low rates for their products. So there is a vicious circle—extreme poverty forces the peasant into the clutches of the money-lender and the exploitation by the money-lender leaves him poorer and a less efficient producer than before, which makes his income still less. Thus goes on this poverty spiral of the peasantry. The effort to increase his income can succeed if he can be freed from the exploitation of the money-lender and such freedom is possible by regulating the operations of the money-lender, organisation of cheap and prompt institutional credit—short-term as well as long-term, and marketing through co-operative societies. The importance of such an effort is all the greater because the agrarian reforms so far recommended to increase the peasant's income could never be stabilised unless the drain on the peasant's income through the money-lender's exploitation is immediately put a stop to.

65. **Impact of British rule on Agricultural Indebtedness.**—Captain Wise in a report on Khandesh Bhils in 1874 admits: "Before the country came under us no *sowkar*, *guzar*, etc., etc. could have dared to treat the Bhil as they now do, but these people take advantage of our rule to oppress and make slaves of those they formerly feared." The problem of agricultural indebtedness assumed a new aspect since the stabilisation of British rule in India. The Indian laws, customs, and usages regulating the economic and social relations were suddenly replaced by a foreign system of jurisprudence of inelastic and impersonal law. Such a system was an essential pre-requisite for an unhampered development of British commerce. Rigid laws of property and contract were enacted and enforced with a sternness hitherto unknown to the peasant in India. While freeing the money-lenders from these customary bonds of usages and customs the law imposed on the peasantry the inexorability of 'blind' justice.*

* Report of the Peasant Enquiry Committee, Maharashtra P.C.C., 1936, page 61.

Due to the forces mentioned above since the beginning of the century, the Agricultural Indebtedness in India began to mount rapidly.*

66. Are these Debts Unproductive? It may not be out of place here to refer to some analysis of the character of loans incurred by the agriculturists. In season and out of season it has been propagated that the debts are mostly unproductive in character and are due to the "ingrained improvidence" of the agriculturists. The following analysis, however, would, to a great extent, explode this myth.

We will group the items of debt from a few authoritative analysis into three different categories: (a) incurred for obviously productive purposes such as purchase of cattle or agricultural implements, (b) incurred for non-productive purposes but strictly incidental or auxiliary to the business and (c) incurred for unproductive purposes such as marriages and other ceremonies, indicating improvidence. Litigation has been included in Group C. A portion of the figure for repayment of old debts has also been included in Group C.

I. Regrouping the items given in the "Economic Survey of Bhambu Sandilla" published by the Punjab Board of Economic Enquiry,† we get the following results :

(a)	(b)	(c)
<i>Productive</i>	<i>Non-productive</i>	<i>Un-productive</i>
27.4%	60.6%	12%

II. Regrouping the analysis of loans made by the Co-operative Credit Societies of the Punjab given in their 1932-33 report, we get :

30.06%	43.19%	14.31%
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III. Regrouping figures given by the Bombay Provincial Banking Enquiry Committee, we get :

27.4%	60.6%	12%
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*It has been variously estimated at different periods :

<i>Year</i>	<i>Total Indebtedness in Crores of Rupees</i>	<i>Authority</i>
1911	300	Sir Edward Maclagan.
1925	600	M. L. Darling.
1929	900	Central Banking Enquiry Committee.
1935	1200	Prof. P. J. Thomas.
1937	1800	Agr. Credit Dept. of Reserve Bank of India.

Source : "Land, Landlord and Legislation" by Prof. Nasir Ahmad Khan, Lucknow Varsity, page 71.

†Report of the Maharashtra P.C.C. Peasant Enquiry Committee, page 64.

IV. Objects of debts incurred by different* groups of cultivators in U. P.

GROUP 'C'

(Cultivators with 2.5 acres and less)

Districts	Food	Agricultural Purposes	Rent	Litigation	Social Needs	Total
Gorakhpur ...	94	—	4	2	—	100
Azamgarh ...	95	—	5	—	—	100
Almora ...	100	—	—	—	—	100
Meerut ...	100	—	—	—	—	100
Jhansi ...	100	—	—	—	—	100
Unao ...	65	25	—	—	10	100

Group 'B'

(Cultivators with 5 to 7 acres)

Gorakhpur ...	75	25	—	—	—	100
Azamgarh ...	86	—	—	10	4	100
Almora ...	—	—	—	—	—	—
Meerut ...	95	5	—	—	—	100
Jhansi ...	85	5	5	—	5	100
Unao ...	—	—	—	—	—	—

Group 'A'

(Cultivators with 7 acres and above)

Gorakhpur ...	—	—	—	—	100	100
Azamgarh ...	—	—	—	—	100	100
Almora ...	—	—	—	—	—	—
Meerut ...	5	80	—	—	15	100
Jhansi ...	3	87	—	—	10	100
Unao ...	—	—	—	—	—	—

67. Analysis of the estimates of Indebtedness.—From the above estimates it would be found that the money-burden of agricultural indebtedness was all throughout on the upswing, though the estimates, except that of the Central Banking Enquiry Committee and the Agricultural Credit Department of the Reserve Bank of India, can hardly claim the authoritative character of an official enquiry. Even regarding the estimate of the Central Banking

*Based on the investigations of Prof. Vir Bahadur Singh in 1945, under Dr. Radha Kamal Mukherjee. Reference being made by the Secretary regarding the authenticity of the investigation, Dr. Mukherjee has written, "The materials submitted by Shri Vir Bahadur Singh are reliable and authentic based on field investigations under my supervision and their findings are important and should be used without hesitation in government or public documents."

Enquiry Committee, the Gadgil Committee on Agricultural Finance observes : " It is therefore not possible to rely to any large extent on the estimates of total indebtedness made by the Banking Enquiry Committee for the various provinces or on the total for India calculated on the basis of these estimates by the Central Banking Committee."* Since the publication of the Reports of the Banking Enquiry Committee, no comparable all-India review of indebtedness has been made. During the last 15 years, on our economy fell the impact of two economic events of a fundamental character :

- (1) The Economic Depression in 1930,
- and (2) The Boom of prices due to World War II (1942-49).

68. 1930 Depression and Burden of Indebtedness.—Only in Madras there was an official enquiry under the Chairmanship of Shri Satyanathan in 1935 to assess the impact of the last depression on agricultural indebtedness. According to that enquiry Committee, the burden of debt on the agriculturist had substantially increased during the depression. The Punjab Debts Enquiry Committee officially estimated that the total debts had risen from Rs. 130 to Rs. 270 crores. The Gadgil Committee, however, does not attach much credence to any of these statements that the total money-burden of the debt had increased from that of the pre-depression period, " unless it could be shown that the pre-depression debt had cumulative effect which could not be cleared."**

69. Debt Conciliation and other Legislative Actions.—The economic depression of the thirties brought untold misery and distress to the peasantry and apart from the money-burden, as the real burden of indebtedness increased considerably, attempts were made to tackle this problem of indebtedness in all the provinces. Differing in details, the legislative programmes in most of the provinces are marked by a fundamental similarity. The Usurious Loans Act was made more effective, the law of Damdupat was made applicable in several provinces and greater facilities were afforded under the Insolvency Act. The chief feature of the relief was the provision for debt conciliation through Boards or Relief Courts.

Effects of Debt Conciliation.—The following figures would give some idea about the success of the debt conciliation efforts :

" In Bengal, till the end of March, 1944, a total debt of Rs. 5016.02 lakhs has been scaled down to Rs. 1796.29 lakhs representing a reduction of 64 per cent. In Central Provinces and Berar Rs. 1561.02 lakhs were scaled down to Rs. 774.85 lakhs i.e. to an amount little less than 50%. In the Punjab during 1939 to 1940 (one year) debt of Rs. 91.45 lakhs was reduced by 55.6 lakhs. The

*Report of the Agricultural Finance Sub-Committee appointed by the Government of India—pp. 3.

**Ibid, page 7.

relief courts established in Madras and Central Provinces scaled down claims of Rs. 931.21 lakhs and 428.09 lakhs to 444.00 lakhs and 299.8 lakhs respectively.”*

Reviewing the success of the Debt Conciliation Machinery, the Gadgil Committee observes : “ These measures of adjustment though considerably more comprehensive than those taken during the pre-depression period did not prove adequate ”, because (i) they did not aim at a permanent solution of the chronic problem of agricultural indebtedness ; (ii) conciliation provided under the acts was entirely voluntary. The machinery of debt relief could come into operation when invoked by the debtor ; (iii) no agency was set up to help the peasantry to redeem the scaled-down debts, (iv) Government dues, debts of Co-operative Societies, Joint-Stock Banks, and arrears of rents, etc. were excluded from the purview of conciliation ; (v) to debts coming within the purview of the Conciliation Boards a certain maximum limit varying from Rs. 500 in Assam to Rs. 50,000 in the Central Provinces and Sind was put. In some provinces, a minimum was also set to such debts.

The Bombay Agriculturist Debtors’ Relief Act, 1939, recently amended in 1947, however, covered new ground. Most of the drawbacks mentioned above were eliminated in the legislation.

70. War Boom and Indebtedness—Myth of Agricultural Prosperity.—There is a general belief that the rise of prices, specially that of agricultural products, has redounded to the advantage of the agriculturist and the money-burden of agricultural indebtedness has been very much reduced. On the 5th August 1943, the Agricultural Credit Department of the Reserve Bank of India addressed a circular to the Provincial Governments urging them to assess the incidence of debt burden in the light of the rise in prices and to take suitable steps to tackle the problem of indebtedness before conditions assumed normality and debtor’s difficulties began to show themselves. The Government of India in a circular dated 29th February, 1944, at the instance of the Reserve Bank impressed upon the Provincial Governments the need for a comprehensive enquiry into rural indebtedness.

71. Madras Enquiry.—The “myth of agricultural prosperity” has been pricked by the enquiry of Dr. B. V. Narayanaswamy Naidu, the economist of the Government of Madras, into the rural indebtedness in Madras. The following tables representing the results of the enquiry would show that, though the money-burden of indebtedness had been slightly reduced, there has been no prosperity for the bulk of the agricultural classes namely, the uneconomic holders and the agricultural labourers.

**The investigation by Dr. B. V. Narayanaswamy Naidu has proceeded on the basis of “random sampling” and “Stratified random sampling”.

*Report of the Agricultural Finance Sub-Committee appointed by the Government of India—pp. 22.

**Special Officer’s Report, 1947, pp. 45 and 461.

For the purpose of investigation, the agricultural population was classified into five classes. They are :

1. Big land owners owning 25 acres and above of land—wet and dry,
2. Medium landholders who own between 5 acres and 25 acres,
3. Small landholders who own under 5 acres,
4. Tenants,
5. Landless labourers.

The results of the investigation are :

	1939-40	1944-45
	Rs.	Rs.
Total Estimated Debts ...	2,71,91,64,000	2,17,71,15,000

Per Capita Debt for each class

Class	1939 Rs.	1945 Rs.	Difference	Percentage Fall or Rise
1.	188.5	113.3	— 75.2	— 39.9
2.	78.8	59.4	— 19.4	— 24.6
3.	42.8	37.6	— 5.2	— 12.3
4.	20.5	21.3	+ 0.8	+ 4.1
5.	5.7	8.3	+ 2.6	+ 45.6

Percentage of five classes in 1939 and 1945

Class	1	2	3	4	5	Total
(3) 1939	14.4	43.5	35.3	5.4	1.4	100.0
(4) 1945	10.8	41.0	38.7	7.0	2.5	100.0
(5) Percentage of (2) to (1)	60.0	70.0	88.0	104.0	143.0	80.1

His main conclusions are extracted below :

“ These figures clearly show that the war-time benefits have been realized by the big landholders to the greatest extent. Their share of the total debt has fallen from 14.4 per cent. in 1939 to 10.8 per cent. in 1945. The medium landholders were bearing 43.5 per cent. in 1939, to 41.0 per cent. in 1945 of the respective aggregate debt for these years. This marks a fall of only 2.5 per cent. compared with a fall of 3.6 per cent. in the case of the big landholders. In respect of the petty landholders, placed in the third class, their share of the debt has risen from 35.3 to 38.7 per cent. i.e., by 3.4 per cent. It is thus clear that war-time effects have been more beneficial to bigger than to the medium landholders, while the small holders have actually suffered.”

“ The debt of the landless labourers has increased more than that of the tenants.”

“The debt per head of the fourth class of tenants has risen by about 4 per cent. clearly showing that war years have hit relatively hard the tenants, as against the registered holders. The case of the landless labourers is even worse with a rise of 45.6 per cent. Since wages have risen nearly three times the burden is not as heavy as it appears at first sight.”

72. Enquiries in other Provinces.—The Government of U.P. have appointed the Rural Debts Enquiry Committee under the Chairmanship of Acharya Narendra Deo which would take about a year and half to conclude its enquiry. Other Provincial Governments have not so far responded to the circular of the Reserve Bank of India.

Prof. Vir Bahadur Singh, who appeared before the Committee, submitted some statistical data on the basis of his personal investigation in 1945 into representative regions of U.P. From the following table based on his calculation it would be evident that by and large the agricultural community has not gained any advantage from the war-time boom and though the real burden of indebtedness might have been reduced, the money-burden has not been reduced.

Percentage of Indebted Cultivators in different Groups (1945)

<i>District</i>				<i>Group C</i>	<i>Group B</i>	<i>Group A</i>
Gorakhpur	...	...	...	68%	45%	25%
Azamgarh	...	...	...	49%	53%	23%
Almora	...	...	...	40%	—	—
Meerut	...	...	...	86%	62%	67%
Jhansi	...	...	...	70%	61%	41%
Unao	...	...	...	51%	—	—

N.B.—*Group C* means cultivators with 2.5 acres and less,

Group B means cultivators with 5 to 7 acres,

Group A means cultivators with 7 acres and more.

Prof. C. N. Vakil in his foreword to the pamphlet “The Myth of Agricultural Prosperity” by Shri B. S. Mavinkurve published in 1948 for the Socialist Party, Bombay, observes:

“With small uneconomic units of cultivation and a major dependence on the vagaries of monsoon farming operations in our country are on such a subsistence level that the average Indian farmer has comparatively small marketable surplus to realise large gains as a result of boom conditions in food prices.”

73. Conclusion.—Though we have got no adequate statistical data on the basis of which we can make any precise statement about the position of the money-burden of agricultural indebtedness, we substantially agree with the following considerations which have been placed before us by the witnesses

examined in different provinces in support of the contention that the money-burden of indebtedness has not been reduced.

(i) The cost of cultivation and the cost of living of the farmer has gone up more than in proportion to the rise in agricultural prices.

(ii) The area under multiple crop in our country being very small the farmer does not grow all the food and other agricultural products required by him. Therefore the war-time boom instead of being a source of prosperity to the average cultivator has often been a cause of adversity.

(iii) Agricultural labourers, except when paid in kind, had nothing to gain in spite of considerable rise in wage rates.

We find very little support for the contention of the Provincial Governments in their reply to the *questionnaire* issued by the Famine Enquiry Commission that the rise of agricultural wages was in proportion to rise of food prices.* (In the chapter on Agricultural Labour we deal with this question in greater detail.)

(iv) "The shrinkage in outstanding debts, the mounting advance repayments, and the steep fall in overdues were interpreted to mean a substantial reduction of rural indebtedness. One common mistake committed in this kind of ratiocination is that what applies to borrowers in co-operative institutions applies equally to all kinds of borrowers. It is overlooked that the former class of debtors are a superior class of solvent debtors whose solvency has been sifted and assayed by the authorities of the Co-operative Department. The very fact that they have been given these loans speaks highly of their assets and repaying capacity, but a majority of agricultural debtors . . . are steeped too much in debt to derive any substantial benefit from co-operative institutions particularly Land Mortgage Banks."

The Gadgil Committee concludes its observations on the impact of the war-time boom on agricultural indebtedness thus: "It might be possible to hazard the opinion that the total indebtedness in terms of money stood in 1944 at a level lower than that in 1939; but that, at a later date, forces were already in operation leading to an increase in the amount of this total indebtedness. The upward trend of the prices of agricultural products appeared to be held in check. The rise in the level of agricultural costs had mostly caught up with increase in the prices of agricultural products and had in some instances even passed it."**

74. New Scheme of Debt Conciliation.—We, therefore, agree with the recommendation of the Gadgil Committee that there should be intensive efforts for adjustment of debts of agriculturist producers before reorganisation of agricultural finance. We, however, feel that the benefit of such readjust-

*Famine Enquiry Commission, 1945—Final Report, pages 483–486.

**Report of the Agricultural Finance Sub-Committee of the Government of India, pages 7–8.

ment should not only go in favour of agricultural labourers who were very much hard hit by the war-time rise of prices. Following is the summary of the recommendations of the Gadgil Committee with which we are in substantial agreement :

(1) The debts of agricultural producers should be *compulsorily* adjusted, without waiting for applications from borrowers, by Boards manned by Judicial officers.

(2) The work of adjustment should be completed *within a specified time not exceeding two years*. We attach great importance to this recommendation of the Gadgil Committee because in a dynamic economy, passage of time might bring into operation new forces disturbing the results attained through slow piecemeal efforts and might retard all progress.

(3) It should be obligatory on all creditors to register their claims and submit statements of their assets and liabilities before the Board within a definite period. This provision should apply to dues of the Government, Co-operative Societies, banks as well as arrears of rent.

(4) To determine the fair amount due from the debtor, the adjustment agency should scrutinise each account and go behind the entries as provided in the Usurious Loans Act and the Deccan Agriculturists' Relief Act.

(5) It should also apply a rule of Damdupat which should be defined so as to mean that the total payments could never exceed twice the amount of the principal originally lent and that interest cannot be converted into capital. The rule of Damdupat as applied now under the Provincial Debt Relief or Conciliation legislations does not forbid conversion by subsequent agreement between the Debtor and the Creditor of the interest in arrears into capital. It is also circumvented by the issue of a fresh bond.

(6) The amount determined as fair should be reduced to the present value of the debtor's normal repaying capacity over 20 years worked out at a rate of 4% interest or to 50% of the normal value of the immovable assets, whichever is less, provided that :

- (i) a secured debt is not reduced to less than 50% of the value of the property on which it rests,
- and (ii) the proportion allowed of a secured debt in terms of the value of the property on which it rests is not smaller than the proportion allowed of the unsecured debts to the total of such debts.

While recommending that the scaling down should be limited to not more than 50% of the value of immovable assets, the committee was governed by the idea that the adjusted debt should be paid off in lump to the creditors

by transferring it to a Land Mortgage Bank or any other suitable credit agency. For this purpose, security to the extent of double the sum would be absolutely necessary. Provision for some margin for financing the current productive efforts of the cultivator whose debts are adjusted should also be made.

It may be pointed out that the Bombay Agricultural Debtors' Relief Act, 1947, determines the paying capacity at 60% of the value of the property of the debtor and where the market value of such property cannot be determined it is done by capitalising the income at 6% per annum.

(7) The adjusted debt should be awarded to be paid to creditors immediately in lump by borrowing from a Land Mortgage Bank or a suitable agency.

(8) The Agency taking over the debt will recover it from the debtor in instalments spread over a period not exceeding 20 years.

(9) If a debtor has no hereditary or transferable rights in land and his debt fairly determined exceeds his total paying capacity by a given proportion to be prescribed in law, the Board should adjudge him an insolvent to be dealt with compulsorily under a simple insolvency procedure.

(10) If a debtor has hereditary or transferable rights in land and his debt fairly determined exceeds his total repaying capacity by a given proportion to be prescribed in law, the Board should adjudge him an insolvent to be dealt with compulsorily under a simple insolvency procedure, irrespective of the amount of debt or the value of assets involved.

Section 47 of the Bombay Agricultural Debtors Relief Act makes provision for such insolvency proceedings. Regarding the number of instalments, the Gadgil Committee recommends 20 years while the Bombay Act lays down 12. We are in favour of the smaller number of instalments. We also view with approval the provisions in the Bombay Agricultural Debtors Relief Act regarding the fixation of priority according to which debts shall be paid :

- (a) Debts due to the Government which are charged on the immovable property belonging to the debtor,
 - (b) Debts due to local authorities which are charged on the immovable property belonging to the debtor,
 - (c) Loans given by the Resource Societies,
 - (d) Secured debts in order of priorities,
 - (e) Debts due to Government, local authorities and other bodies including Co-operative Societies,
 - (f) Other dues due to the Co-operative Societies,
- and (g) Unsecured debts.

Debts of Agricultural Labourers to be conciliated.—Earlier we have made reference to the increasing burden of indebtedness of agricultural labourers. The Debt Conciliation legislations as well as the recommendations of the Gadgil Committee do not make any provision for the compulsory adjudication of debts of this numerous and hard-pressed section of the agricultural community. We, therefore, recommend that all debts contracted before 1942 should be wiped out and debts contracted after 1942 should be either wiped out or scaled down after an enquiry with regard to the equity of the loan and the paying capacity of the debtor. The jurisdiction of the conciliation machinery recommended for the agricultural producers might be extended to the scaling down of the debts of this section of the agricultural community.

In this connection we appreciate the effort of the Government of Bhavnagar State (now merged in Saurashtra Union) which has set an example of what the State could do in this direction. That Government based its scheme of debt redemption on the principle that the maximum annual repayable amount by an agricultural debtor should not exceed three times the annual assessment payable by him. The State, thereafter, undertook to help the debtors to repay their dues.

75. Regulation of the Money-lender.—To stabilise the effects of the debt conciliation, there should be simultaneous efforts to restrict the operations of the money-lender through legislative measures as well as to organise institutional credit for the peasantry.

The village money-lender today is the most important constituent of the agricultural credit machinery of the country, and for a good length of time it will be difficult to replace him by the organisation of institutional credit. Before the last depression, stray efforts at the regulation of the activities of money-lenders were made through the Deccan Agriculturists Relief Act, 1879, the Contract Amendment Act, 1899, and the Usurious Loans Act, 1918, amended in 1926.

The Royal Commission on Indian Agriculture reviewing these efforts in 1928 observed that these laws were more or less a dead-letter. The period of thirties ushered in vigorous efforts for controlling money-lending. Assessing the results of the effects of these laws for controlling money-lenders, the Gadgil Committee has given the following data :

In the Punjab while the number of money-lenders was estimated by the Punjab Banking Enquiry Committee at 55,000, only 17,438 money-lenders had registered themselves up to 1940, the latest year for which figures are available. In C.P. up to the 31st March, 1939, 37,796 money-lenders were registered out of a total of 39,068.

Most of these laws laid down the maximum rate of interest chargeable by the money-lenders.

The following table would give an analysis of these rates :

PROVINCES	Secured		Unsecured	
	Simple Interest	Compound Interest	Simple Interest	Compound Interest
Madras	9 ¹	Considered Excessive	15	Considered Excessive
Bombay (Bhil)	9-6 ²	Prohibited	12-9 ²	Prohibited
Bengal	15	10	25	10
Punjab	12	9 with yearly rests	18½	14 with yearly rests
Bihar	9	Prohibited	12	Prohibited
Orissa (Bhil) ³	9	Prohibited	12	Prohibited
Central Provinces	12	5 with yearly rests	18	5 with yearly rests
Assam	12½	Prohibited	18½	Prohibited
United Provinces	12	Prohibited	24	Prohibited

In the course of our tours we had occasion to examine peasants in representative zones of the different provinces. We can safely say that the laws for restricting the operations of the money-lender have completely failed. The ceiling rates for the rate of interest provided in these laws have been frequently violated. The rate which is generally charged is 15% to 30%. There are also cases of charging high rates of interest on arrears of rent by the landlords ranging between 6% to 25%.⁴ On grain loans *Sawaiya* (25%) is the more common rate though *dedhiya* (50%) was also reported.

The most important reason for the evasion of the operation of these regulatory measures by the money-lenders is the defective definition of the money-lenders and we agree with the definition given by the Gadgil Committee for money-lenders. "All kinds of loans on which interest is charged in any form or shape except those advanced by institutions such as Government, Co-operative Societies, Land Mortgage Banks, should be subject to regulation and control." We are also in agreement with the lines of amendment of these Acts on money-lenders suggested by the Gadgil Committee :

- (1) Registration of money-lenders.
- (2) Licensing of money-lenders.
- (3) Maintenance of accounts in a prescribed form (to which we may add, their maintenance in the regional language).
- (4) Penalising recording in the books of accounts or in any other document a sum larger than what has been actually lent.
- (5) Furnishing of statement to the debtor in prescribed form giving full particulars about each loan as and when advanced.

¹ 1943 Pawn-Brokers' Act—9½% of loans of Rs. 25 or below and 6½ on other loans.

² 1947 amendment.

³ Have no Debt Conciliation Acts so far.

⁴ Special Officer's Report on Ryotwari System in Madras, 1947, page 65.

- (6) Furnishing of periodical statement of accounts to the debtors.
- (7) Issue of receipts to the debtors for every payment received.
- (8) Limitation of the rate of interest.
- (9) The enforcement of rule of Damdupat.
- (10) Prohibition against taking unlawful charges for expenses, etc.
- (11) Provision to entitle a debtor to deposit at any time in a court of law an amount in part or full payment of a loan to be paid to his creditor.
- (12) Prohibition of contract for payment of loan outside the province.
- (13) Institution of suits by debtors for taking account and for having amounts due from them determined.
- (14) Protection of debtors from molestation and intimidation.
- (15) Infringement of the provisions of the law to be made a criminal offence punishable with fine and in appropriate cases with imprisonment. (This is necessary as money-lenders who evade the law cover themselves against risk or fine by such means as taking bonds for amounts in excess of amounts actually advanced.)

Regulatory acts can be effectively enforced only by the creation of a special supervisory agency for surprise audit and inspection of the books and accounts of the money-lenders. The failure to provide a supervisory or inspection machinery in the regulatory acts in the depression period was certainly a serious omission. We, however, feel confident that a conscious and active Village Panchayat would go a great way in restricting the anti-social activities of the village money-lender. The suggestion of Prof. Vir Bahadur Singh before the committee that the money-lenders may be unified in the Village Banking system may also be examined.

Regarding the fixation of maximum rate of interest, instead of a uniform rate of interest as has been done in all legislation, a schedule of maximum rates, sufficiently detailed to meet the major variations in conditions, should be carefully worked out and included in such Acts.

Regarding mortgages to private agencies, all usufructuary mortgages which do not provide for automatic redemption within 20 years should be prohibited by law. In simple mortgages, transfer of land (by way of sale) should be made void and the mortgagee should only be entitled to possession for use for a period not exceeding 20 years to recover the amount remaining to be paid ; and the mortgagor should have the option to convert at any time the simple mortgage into a self-liquidating usufructuary one. Elsewhere we have recommended restricted right of transfer to the landed peasant and right of cultivation in land belonging to one who will put in some amount of physical labour in agriculture. In view of these recommendations, there hardly would be any occasion for misuse of the right of mortgage by the individual landholder. Those which would come under a co-operative joint farm

could not have any right of mortgage. The co-operative farm alone will have that right.

The history of the attempts made in U.S.A. to control usurious lending shows that "legislative restrictions are not the only method of meeting the problem and that economic competition, if effective, is a far more satisfactory solution; the low rate lender, if his facilities are adequate and his terms constructive, can drive out the high rate lender." One of the reasons why the regulatory legislation on money-lending during the depression period could not attain the desired result was the lack of institutional credit facilities. The Agricultural Credit Department of the Reserve Bank of India in its study of the effect of these legislations on debt conciliation and regulation of money-lending spoke about the shrinkage of credit facilities of the peasantry. The hardships for the peasantry were all the more because of the inadequacy of state assistance.

The following table will give an idea about the State assistance given to the Indian agriculturists for agricultural and land improvements.

***Receipts and Expenditure under the Land Improvement
Loans and Agriculturists Loan Acts in the year 1947-48.**

<i>Province</i>	<i>Year</i>	<i>Receipts</i>	<i>Expenditure</i>
		Rs.	Rs.
Bihar	1947-48	2,59,800	18,15,328
C. P. & Berar	Year ending 30-9-1948 for C.P. and 31-7-1948 for Berar.	56,38,018	1,30,27,480
Orissa States	1948-49	92,510	7,00,000
Orissa	1946-47	20,29,531	11,09,343
E. Punjab	1947-48	N. A.	12,41,919

76. Flight of Capital from the Country-side.—After the abolition of zamindari the scarcity of finance for agriculture would be intensified. According to the memorandum submitted by Dr. Radha Kamal Mukerjee to this Committee, 40% of rural credit in the U.P. is provided by the zamindars who might choose to invest their compensation funds in urban industries. The recommendation of the U.P. Zamindari Abolition Committee that a part of compensation may be compulsorily invested in Provincial Co-operative Bank may be seriously examined.

In a circular issued on June 12, 1939 by the Agricultural Credit Department of the Reserve Bank of India to all provincial and central co-operative societies, it was insisted that safety and liquidity of co-operative banks would be maintained if 30% to 50% of the deposits were invested in government securities and treasury bills. The Sub-Committee on Rural Marketing and Finance of the National Planning Committee has rightly observed that "such a policy would mean the transfer of large amounts of funds from rural areas

* Compiled on the basis of information supplied by the Provincial Governments.

to bigger financial centres and would thus accentuate the prevailing maldistribution of liquid capital with the consequence that the rates of interest in rural areas would be maintained on a higher level than would strictly speaking be necessary."

We do not also favour the idea of withdrawing funds from the countryside through sale of National Savings Certificates for financing the Central Government. We are fully aware that considerable funds are being advanced by the Central Government under the Grow More Food Campaign. We do feel there should be a thrift campaign among the rural people, but at the same time the savings should, as far as possible, increase the deposits of the village multipurpose co-operatives and other higher rural financing bodies.

77. Credit Needs of the Peasant.—In recommending the organisation of institutional credit for the farmer, his credit needs of the following types may be considered :

- (i) " Seasonal " or Short-term Credit for purchasing seeds, manures, payment of wages and other expenses like payment of rent, interest on debt and land revenue.
- (ii) Medium term credit for purchase of bullocks and other implements, etc.
- (iii) Long-term credit for purchases of land or making improvements in land such as for drainage or for irrigation.

78. Organisation of Institutional Credit.—Regarding the organisation of institutional credit for the agricultural community, we do not agree with the recommendation of the Gadgil Committee for the establishment of a special machinery, namely, an autonomous Agricultural Credit Corporation established by the State and working under its general supervision and direction and substantially aided by it. We feel that the institutional credit facilities, short-term, medium-term and long-term, should be organised through the land mortgage banks and the co-operative credit institutions because these bodies have established contacts in course of a period of forty years with the rural population needing such credit advances. The Agricultural Credit Corporation recommended by the Gadgil Committee would be a new institution and would take some time to get into its strides.

The co-operative movement, however, should be reorganised to take up this all important and gigantic work of extending cheap and prompt finance to the agriculturists. One of the reasons why co-operative credit could not compete with the credit provided by the money-lender was its tardy character. The Nanavati Committee on Agricultural Credit Organisation, appointed by the Bombay Government, made a detailed enquiry into this aspect of the reorganisation of the co-operative movement and concluded that the delay in disposing of loan applications could be minimised through the following devices :

- (i) Borrowing limits for each member and for each society should be fixed each year ;
 - (ii) Societies with sound management should be allowed cash credit arrangements with their financing institutions ;
 - (iii) Societies of good standing might be permitted to keep some cash in hand for making small loans ;
 - (iv) The system of " continuity mortgage bonds " in Madras might be profitably looked into and adopted wherever conditions permit ;
 - (v) The system of running credit to individuals may be adopted wherever practicable ;
- and (vi) Authority should be granted to specific office-bearers to sanction loans not in excess of specified amounts in emergency.

The Committee also recommends that some amount of cash may be retained with the Chairman of the Primary Credit Society. To facilitate the extension of prompt credit facilities, every effort should be made to raise local deposits so that the co-operative credit society may be a real village bank.

It may not be out of place to note how in Egypt, the Credit Agricole makes three kinds of short-term loans (i) cash loans for cultivation expenses, (ii) loans in the form of seed and manure, and (iii) loans against produce.

For loans to meet cultivation expenses, the bank has framed limits based on the actual cost of cultivation of each kind of crop. For making the advances in kind, the bank has a large number of manure and seed stores all over the country. Each individual loan application is scrutinised and attested by the village headman and his assistant and the village tax-collector and in very many cases loans are then granted by the Sub-Agent of the bank.

According to the Gadgil Committee the Indian agriculturist has to pay for his financial requirements from the co-operative societies a very high rate of interest in India. The following table gives the rate of interest charged by the Co-operative Societies in different provinces :

<i>Province</i>	<i>Rates charged by Primary Credit Societies to their members</i>
Madras	7½
Bombay	9½
Sind	9½ and 10-15/16
Bihar	9½, 12½ and 15½
Bengal	12½
Orissa	8
U.P.	9
Punjab	2 to 12½
C.P. & Berar	7
Assam	12½

STATISTICAL DATA REGARDING LAND MORTGAGE BANKS*

(1948)

Province	No. of Societies	No. of Members	Loans Advanced	Loans outstanding	Over-dues	Funds owned in		Other Funds	Total Borrowings
						Share Capital	Reserve Fund		
C.P. & Berar	23	9386	5.10	18.31	.52	1.31	.58	.33	16.77
Bombay	16	18619	3.65	57.99	1.74	8.89	1.30	.50	68.55
U.P.	6	1094	.22	2.11	.29	4.13	.14	.13	1.69
Madras	120	97969	62.33	300.71	.47	24.21	6.48	1.20	291.41
Orissa	Nil	2587	1.84	6.08	Nil	.91	0.7	.05	6.02
East Punjab	Nil	—	—	—	—	—	—	—	—
Assam	2	220	.01	.27	.26	.42	.15	.14	.02
West Bengal	2	1132	1.24	4.83	.009	.38	0.10	.02	4.80
Bihar	Nil	—	—	—	—	—	—	—	—

N.B.—Amounts in lakhs of Rupees.

* The table has been prepared on the basis of information supplied to the Committee by the Provincial Governments.

The Gadgil Committee recommended that for short-term finance the maximum rate to be charged should be $6\frac{1}{4}\%$ and for long-term finance 4%.

The Nanavati Committee on Agricultural Credit Organisation investigated into the possibility of making co-operative credit available at $6\frac{1}{4}\%$ and felt that it would be possible for the co-operative societies to do so only when they could obtain funds from the Central Banks and other higher financing bodies at 4% or less and if they do not spend more than $2\frac{1}{4}\%$ on their staff, stationery, rent and other items of expenditure. In Bombay, at present, the percentage of working expenses to the working capital is about 4.4%. It is due to the high secretarial expenditure for a small unit. According to the Committee efforts should be made to employ village teachers as part-time secretaries of village co-operatives.

The Nanavati Committee also felt that the Central Banks maintained a very wide margin between their lending and borrowing rates (2.7% to 4.4%). If a Central Bank could not advance money within 4% it could not be considered to be functioning satisfactorily and its working should be examined by the Provincial Board or the Co-operative Department. The following measures were suggested by the Committee for keeping down the rate of interest by the Central Bank.

- (1) Borrowing rate should be kept low,
- (2) There should be rigid economy in the working of the banks under the heads of travelling allowances, conveyance, etc.,
- (3) Uneconomic branches may be wound up,
- (4) Departmental Supervisors and Bank Inspectors may be co-ordinated,
- (5) Central Banks unable to make funds available to societies at 4% should be debarred from declaring a dividend above 4%.

The frozen assets of the Co-operative Societies may be liquefied by adjusting their debts. The efficiency of co-operative finance very much depends on punctual repayment. We agree with the recommendation of the Gadgil Committee that even coercive measures should be resorted to where justified, particularly in case of wilful defaulters. The loans for current needs should be repayable at the end of the current agricultural season. Credit should be linked as far as possible with marketing and, as provided in the Bombay Money-lenders' Act, no hypothecation of crop be allowed to any private agency by one who has taken co-operative credit. The period for intermediate loans should ordinarily be three years which, in exceptional cases, may be extended up to five years. The efficiency of co-operative finance may be improved by supplying, as far as possible, the requirements of members in kind through direct arrangements with the marketing unions of which the village multi-purpose co-operative societies, according to our scheme, would be members. In

the absence of such organisations, the society itself might supply the goods on indent system but should never take any trading risks.

In Madras, very good results have been attained under the scheme of "controlled credit". The essence of the scheme is that loans sanctioned should be given to members in instalments according to needs, and the loan given is recovered out of the income obtained by the application of the loan. This system of controlled credit may be extended with suitable variations to all provinces.

The Gadgil Committee recommended that there should be the same agency for the supply of short-term and long-term credit. We entirely agree with the recommendations of the Nanavati Committee on this question in detail. The Provincial Land Mortgage Bank should not necessarily be merged with the Provincial Co-operative Bank. The long-term finance for the peasantry should be provided by the Provincial Land Mortgage Bank through its branches, and where there are no such branches, some arrangement may be made with the Central Banks of the co-operative organisation to make long-term funds available to the agriculturists through the lower bodies of the Central Bank.

From the table on page 101 it will be clear that Land Mortgage Banking has not developed very much in our country. It was due to the competition from the money-lender as well as due to the fact that long-term loans were often advanced under the guise of short-term loans by the Credit Societies and Central Banks. The Land Mortgage Banks would have considerable amount of activity if they are to finance the debt conciliation recommended earlier.

The Gadgil Committee recommended that development loans should be advanced at 4%. Examining the recommendations of the Gadgil Committee, the Nanavati Committee concluded that the Land Mortgage Banks could not advance loans at the rate recommended by the Gadgil Committee unless the Government gave substantial assistance for this purpose. We do feel that the State assistance proposed by the Gadgil Committee for the agricultural credit corporation should be extended to Land Mortgage Banks.

79. Backward areas.—While co-operative societies would be suitable for the developed areas as suggested by the Nanavati Committee a different method of approach should be taken for backward areas :

- (1) Formation of grain-cum-commodity depots ;
- (2) Agricultural Banks granting loans to individuals and societies,
- and (3) Co-operative Societies.

Chronically deficit areas :—Financial assistance at concessional rates, in addition to gratuitous relief, should be given to any area suffering from periodic failure of monsoon or occasional floods. Areas with chronically deficit economy and specially backward agricultural classes should, however, be first brought to

the level of normal well-being through long-term programme of development and rehabilitation. Funds must be made available for the purpose to the Land Commission. The actual allocation of the finance must be done by the Provincial Rural Finance Board.

80. Provincial Rural Finance Board.—To co-ordinate the various branches of institutional credit machinery there should be a Provincial Rural Finance Board attached to the Provincial Land Commission. The Board may consist of one representative each of the Finance Ministry, the Land Mortgage Bank, the Co-operative Bank, and one member nominated by the Land Commission.

Earlier we have made reference to the character of debts incurred by the Indian agriculturists. Though it is generally made out that the debts are mostly of an unproductive character, the statistical data compiled by us, though inadequate, proves to a great extent that the bulk of the peasantry incur debts mostly for expenses in connection with cultivation. Still we do feel that there is need for propaganda to wean the peasantry from the habit of incurring unproductive debts as well as from the influence of the money-lender. In this connection we agree with the recommendation of the Nanavati Committee that the substantial amount of funds for Education and Propaganda, which have accumulated in the Central Banks, may be utilised for reorganising rural life with the help of the field staff of these Central Banks.

81. Agricultural Finance—A New Outlook.—So far we have reviewed the various problems connected with agricultural finance and the opinions of expert committees which considered these problems. We shall now proceed to briefly indicate the main features of the system of agricultural finance which will be in keeping with the agrarian pattern envisaged by us.

In the foregoing chapters we have made it clear that we consider land as a social asset, the use of which must be strictly regulated by the State. Since agriculture is the mainstay of our economy, we naturally desire that land should be put to the best use and attain highest possible efficiency, subject of course to the paramount consideration of allowing full scope for the development of human personality.

Now, it is a truism that adequate and timely finance is one of the essential conditions for the attainment of efficiency in agriculture. From our earlier survey it would appear that a consensus of opinion considers co-operation as an ideal instrument for achieving this. But the co-operative movement has not made much progress in this direction. Various reasons have been assigned for this slow growth. We, however, feel that even if all the obstacles to the growth of the co-operative movement mentioned today were to be removed, there would remain one impediment which, *exhypothesis* the movement will not be able to surmount. The limit to the expansion of the co-operative credit system is set by the credit-worthiness of the Indian cultivator. That credit can be given only to the credit-worthy cultivator, is taken as almost

axiomatic. For an organised credit institution to think otherwise would be considered absurd.

But then what percentage of cultivators in our country are credit-worthy to the extent of even their essential requirements for agricultural operations? On any showing, their number must be very small. The vast number of cultivators whose needs for finance are in excess of their credit-worthiness must, by the very tenets of sound banking, remain outside the purview of any organised credit institution and particularly that of the co-operative system, based as it is on the principle of unlimited liability. But if we want the best out of agriculture—and if we consider efficiency of agriculture as the concern of the community and not only of the individual cultivator—such a situation will be intolerable.

If then the fact is that a large percentage of our cultivators are not credit-worthy to the extent of their essential requirements for credit, what shall we do with them? The alternatives are (1) to leave them to the mercy of the money-lender who would naturally charge unconscionable rates of interest for doing what no other credit institution dares do, or (2) for the state to step in and supply unhesitatingly as much credit (subject to our other recommendations made in this respect) as is considered absolutely essential for the efficient performance of agricultural operations irrespective of the individual's credit-worthiness.

The first is really no alternative, for the cost of finance under it is so high that the uncredit-worthy remains perpetually uncredit-worthy and slips down the agricultural ladder. The second alternative, on the other hand, is not as unsound as it appears on the surface. True, anything sunk in an inherently unsound venture is sheer waste. By our recommendation of joint farming, we have tried to minimise such basically unsound cultivation. For the rest, it is a question of alternatives. Unadulterated *laissez faire* would leave it to the free force of competition to decide its fate. Apart from the considerations of humanity, such a course may not lead to the socially desired ends. The Committee, at any rate, would not approve of such "automatic" cut or ruthless adjustment, especially because the number involved is in millions.

Once a decision is made to permit a particular form and unit of production, credit extended—after careful scrutiny—for the essential requirements of efficiency not only cannot be unsound, but is the only sensible thing to do. There cannot be any social loss, or loss to the community, though the individual's account may show a deficit. The worst name that may be given to such a loss is "subsidy" to the uneconomic cultivator. It may be a bad debt but a good investment. Efficiency of agriculture demands that every cultivator who conforms to the pattern of agriculture envisaged by us, gets all the credit facilities he needs for genuine requirements of agriculture, irrespective of the banking norm of credit-worthiness.

We have already indicated that we prefer a co-operative organisation to a purely state machine as an agency for supplying rural credit. It is, however, obvious that if the above principle of "credit according to needs and not capacity" is to be accepted, the co-operative organisation will have to be backed by the State. All along we have refused to accept the view that the co-operatives and the State are mutually exclusive. According to us the State must lay down the policy and accept all responsibilities involved in it but leave its execution to the democratic institutions like the co-operatives.

We are of the opinion that all credit requirements of the cultivators should be attended by one unified agency. The village (or a group) multi-purpose co-operative society will be the agency that will assess all the financial needs—short, medium, long as well as deficit—of the cultivators. The distinction between one type of credit and another has relevance for the purpose of banking but none for those of production. We are not suggesting that the distinctions be obliterated. But their retention need not mean a multiplicity of banking organisations for the cultivators.

The Central Banking Organisation—the Rural Finance Board of the Land Commission—may decide by reference to its resources and the demands made by the group and regional multi-purpose co-operative societies, what percentage should be allotted to the various types of credit. It may for example decide that 10% of its resources may be spent on deficit financing. The disbursement may be made by and through the multi-purpose societies. The multi-purpose societies will be helped and guided by the expert staff of the Rural Finance Board in the assessment of the cultivator's genuine needs, in the allocation of funds between current and development finance, in the assessment of the cultivator's assets and the extent of deficit financing and will also supervise its work in this sphere. Principles of good accounting need not be sacrificed. The loss in any one account, apart from accidents and emergencies, would be conscious and deliberate in as much as it will be a part of deficit financing approved by the financing agency with the consent of the State. The main principle, however, will be "one cultivator, one account".

82. Marketing.—The drain on the income of the peasant will be very much reduced by the conciliation of debts, regulation of the activities of the money-lender and organisation of cheap institutional credit, but the exploitation of the village money-lender can never be fully eliminated, unless the marketing of agricultural produce is organised on a more rational and non-exploitative basis. What the village money-lender may lose by way of interest on the peasant may be made good by offering very low rates for the agricultural products sold by the peasant. In Chapter III we have recommended that there should be compulsory co-operative marketing of all village agricultural products and no individual farmer would be allowed to sell his surplus independently. "In fact by organising co-operative marketing facilities there is scope for

achieving very considerable aggregate results by unspectacular methods." The following table* will give an idea about the price spread between the producer and the consumer:

	<i>Sugar</i>	<i>Pota- toes</i>	<i>Rice</i>	<i>Ground- nuts</i>	<i>Tobacco</i>	<i>Milk</i>	<i>Eggs</i>	<i>Wheat</i>
Producers' Share.	65.17	56.13	66.8	74.7	42.18	64.75	62.5	68.5
Freights ...	10.71	11.9	6.56	8.53	6.66	—	—	17.0
Miscellaneous ...	9.18	6.8	17.20	16.77	34.46	—	—	9.3
Wholesalers' margin ...	5.36	5.4	3.19	—	10.70	14.75	—	1.9
Retailers' margin.	9.58	18.6	6.25	—	—	20.50	—	3.3

We have recommended elsewhere payment of land revenue in cash. Whatever might be the merit of a system of cash settlement of land revenue fixed for a number of years, it urges the peasant to turn his crops into cash and throws him into the grip of the village money-lender. And the farmer sells his produce at an unfavourable place, unfavourable time and on unfavourable terms. Indeed "place, time and terms—these factors provide us with the clue for an understanding of the marketing problem of the Indian peasantry."**

The Royal Commission on Indian Agriculture in a few illuminating pages surveyed the chaotic conditions under which the Indian agriculturist has to market his products. According to the Sub-Committee of the National Planning Committee†, "Twelve years have passed since the report and some legislative steps were taken to improve the position. On the whole, however, the picture which was drawn at that time faithfully reflects the state of affairs in Indian markets even today."

Difficulties of Marketing and their Remedies.—The other chief difficulties under which the Indian agriculturists have to market their products may be summed up thus:

- (i) Absence of standardised weights and measures,
- (ii) Arbitrary deductions for religious and charitable purposes,
- (iii) Large quantities of samples taken away from the produce of the cultivator and not paid back even when no sale is effected.

We recommend that there should be regulated markets, as many as possible and organised as quickly as possible. The Sub-Committee of the National Planning Committee recommends that these markets should not be supervised by Municipalities but by independent boards.

* Computed on the basis of Marketing Reports.

** Sub-Committee on Rural Marketing and Finance—National Planning Committee, page 42.

† *Ibid*, page 44.

peasantry hardly equipped for even the simplest calculations are exploited ruthlessly by the dealers.

83. Co-operative Marketing.—Earlier we have recommended that agricultural marketing should be organised on the co-operative basis within a reasonable period. But as marketing involves no less than seven types of functions viz. (i) assembling, (ii) storing, (iii) financing, (iv) insuring, (v) standardising and grading, (vi) selling, and (vii) transporting, care should be taken especially in the beginning by the Village Multi-purpose Co-operative to take only the necessary functions.

Of course, the advantages of co-operative marketing are many and obvious. The most obvious among them is that co-operative marketing makes the farmers conscious of the close relation of marketing to the problems of production.

The multi-purpose co-operative will only assemble the goods and deliver to the Marketing Societies which, according to the Co-operative Planning Committee, may be organised on 2,000 mundies, roughly each one for a group of 200 villages.*

From the following table** it would be clear that co-operative marketing has made some progress in the different provinces.

<i>Provinces</i>	<i>Number of Marketing Societies in 1944-'45</i>	<i>Volume of business handled</i>
Assam ...	167	...
Bengal ...	44	...
Bombay ...	167	142 Sale Societies at the end of 1942-43 effected sales to the total value of Rs. 281.5 lakhs.
Bihar ...	...	...
Madras ...	215	181 Marketing Societies at the end of 1943-44 sold produce worth Rs. 91.35 lakhs.
C.P. ...	...	...
Orissa ...	...	...
Punjab ...	53	Goods worth Rs. 78 lakhs were sold by 37 societies at the end of 1943-44
U.P. ...	1,954	...

As stated earlier, co-operative marketing would be facilitated to a great extent by linking credit with marketing and by not allowing a peasant who has taken credit from the Co-operative Bank, to hypothecate his crop with any other institution or any individual. We agree with the recommendation of the Co-operative Planning Committee that Licensed Warehouses should be established at nuclear points under the aegis of an autonomous Corporation. It is a happy sign that the organisation of licensed warehouses has been taken up in right earnest by the Madras Government, and the Government of Bombay

* Opinion cited, page 65.

** Computed on the data of the Report of the Co-operative Planning Committee, Government of India, 1946.

have passed the necessary legislation. We agree with the recommendation of the Co-operative Planning Committee that the entire cost of constructing these warehouses should be borne by the Government.

84. Marketing Finance.—The construction of these licensed warehouses would also solve a very great problem of marketing i.e. the marketing finance. The Agricultural Credit Department of the Reserve Bank of India under section 17 of the Reserve Bank Act could have provided a large amount of marketing finance by discounting suitable agricultural bills but for one reason or the other, the department of the Reserve Bank has not responded to the needs of the peasantry and we feel that there is some substance behind the following criticism of the Sub-Committee of the National Planning Committee on Rural Marketing and Finance that: “The attitude of the Reserve Bank has given rise to some controversy in this country and the public is inclined to regard it as unduly conservative.”

We are confident that with the organisation of licensed warehouses and regional authorities under the Land Commission it would be possible for the Agricultural Credit Department of the Reserve Bank of India to come forward with a liberal attitude towards rural marketing finance. Duly filled up receipts for goods placed in the licensed warehouses might be counter-signed by the Regional authorities of the Land Commission which may be discounted by the Agricultural Credit Department of the Reserve Bank. With crop insurance, cattle insurance and stabilisation of prices, which we recommend elsewhere, and the reorganisation of the agrarian economy on the whole, the incidence of risk on agriculture would be greatly minimised. This would make it possible for the commercial banks also to take increasing interests in the marketing of agricultural products.

The Co-operative Marketing Society should be assisted by a thoroughly trained manager because marketing is a technical job requiring expert knowledge. As recommended by the Co-operative Planning Committee, the Government should give a subsidy to the Marketing Societies at least for the first five years for meeting the salaries of staff employed and 50% of the establishment charge for the first two years and 25% thereafter till the 5th year.

The value of the agricultural product is raised considerably by processing, grading and standardising. The Agricultural Grading Department of the Government of India is doing some service in this respect. Today, “Agmark” is the hall-mark of quality. In our opinion the Co-operative Marketing Societies should, as far as possible, own processing plants. The funds required for the purpose of fixed capital should be provided by the Government as a loan repayable within, not more than, 20 years.

The Regional Marketing Societies should be co-ordinated by the Provincial Marketing Society and the Provincial Marketing Societies should come under an All-India Marketing Association.

CHAPTER VI

Agricultural Labour

85. To leave out the problem of agricultural labour in any scheme of agrarian reforms—as has been done so far, is to leave unattended a weeping wound in the agrarian system of the country. It is not just possible to keep for long the *status quo* of the bulk of the agricultural population and to increase the efficiency of the agricultural industry and the *per capita* income of the landed peasantry. Besides, to deny the fruits of *Swaraj* to such a numerous section of our population would be at the peril of grave social consequences. As early as 1939, Prof. N. G. Ranga, who has been active in the kisan field, observed: " Even if we are to assume that the tenant cultivators will mostly become cultivating owners as a result of the establishment of permanency of tenure for them, we find that more than 1/3 of the total number of agricultural labourers are landless having no greater stake in the land than their meagre and insufficient wages."*

It is a happy sign that the Indian National Congress and the Government are alive to the urgency of the problem. The resolution on 'Labour' in the Jaipur Plenary Session of the Congress called upon " the provincial governments to pursue with vigour and complete within the shortest possible time the programme of improving the lot of the agricultural labour already initiated by the Central Government through the Minimum Wages Act." Shri Jagjiwan Ram, the Labour Minister, in the course of the debate on Minimum Wages in the Indian Parliament, in February 1948, observed: " We are losing millions of tons of foodgrains every year because the ill-paid agricultural labourer, who has no stake in land, does not put his heart into work." In the last Labour Ministers' Conference, the questionnaire on agricultural labour enquiry, after a long time, was finalised. It must be admitted that this enquiry has taken rather disproportionately long time and must be expedited as far as possible so that the Minimum Wages Act could be enforced in the case of Agricultural labourers by the middle of March, 1951.

It is indeed a gigantic task to lift from sub-human levels these illiterate, superstitious millions, widely scattered over a huge sub-continent with ill-developed means of communication and numerous physical barriers in the shape of mountains and big rivers. We feel that the problem should be tackled on two fronts. There should be well-planned legislation both positive (such as minimum wages) and prohibitive (such as banning agrestic serfdom) supported by ceaseless efforts on the part of the Congress workers and the workers in the labour field to organise agricultural labour into Trade Unions. Agricultural labour codes are the beginning of the realisation that the agricultural workers

* Peasants and Congress—1939, p. 21.

are not serfs but equal partners while they engage themselves in that series of efforts continuously pursued which provides man with a store of raw materials constituting (together with the mineral wealth extracted from the earth) the material basis of all that nourishes, clothes, warms, houses, educates, and amuses him, i.e. agricultural industry.* But mere agricultural labour codes would not be enough without a properly developed organisation of agricultural labourers. It would be difficult to implement and enforce these agricultural labour codes, however well-planned they may be. In the absence of State intervention also organisation of labour, especially in India where agriculture is carried on widely scattered plots and agricultural labourers are conservative and illiterate, would be greatly handicapped in pursuing its activities, viz. regulation of the conditions of work of agricultural labourers. Before discussing the line of agricultural legislation and the *modus operandi* of organising agricultural labour we propose to give a brief description of the salient aspects of the problem of agricultural labour.

86. Estimates of the Number of Agricultural Labourers.—The census of 1931, the latest available for the principal occupations of the Indian people, shows the following distribution of population according to occupations :**

1. Non-cultivating proprietors taking rent in money or kind	numbered	...	32,57,391
2. Estate agents and managers of owners	"	...	63,840
3. Estate agents and managers of Government	"	...	9,938
4. Cultivating owners	"	...	2,70,06,100
5. Tenant Cultivators	"	...	3,41,73,904
6. Agricultural labourers	"	...	3,14,80,219

If we ignore the other classes and take only the actual labourers without their dependents, the number would be more than 31.45 million. If the tenant-cultivators of cultivating class specially with small holdings are counted, the number would exceed 95% of the total population on agriculture. The figures are based upon 1931 census but the relative proportion and dimensions of the problem remain unchanged. The slight increase in industrial population that has occurred in the intervening period is more than counter-balanced with the increase in population which would make the population in India on the 15th August, 1947, exceed 43 crores. This means that even after the partition, the population of the Dominion of India will not be less than 35 crores by 1950, and the number of agricultural labourers without any land

* L. E. Howard—Labour in Agriculture, p. 17.

** Sub-committee Report on Land Policy and Agriculture, National Planning Committee, page 39.

of their own would total, roughly speaking, 3.5 crores without counting their dependents, or 10 crores in round numbers including everybody.†

The above estimates given by the National Planning Committee are based on the census figures but the very classification of agricultural labourers in the census is highly confusing. Dr. A. H. Lorenzo rightly observes: "If the census were held in July and November or March, a large number of persons will be shown as agricultural labourers; but if it were taken in May and June the ranks of agricultural labourers will be thinned out proportionately in favour of the unspecified class."*

Besides, quite a large amount of agricultural work is done by that class of population which is returned as domestic servants in the census and all the children are often returned as non-working dependents.

The number of agricultural labourers has increased fast during the last 50 years.

1882 (in mil.)	1891 (in mil.)	1921 (in mil.)	1931 (in mil.)
7.5	18.71	21.5	33

Between 1911 and 1931 the number of agricultural labourers per thousand cultivators rose from 254 to 417. The proportion may be still higher where the depressed classes in the locality are more numerous. Accounting for the rapid increase of the landless population, Dr. Radha Kamal Mukherjee observes: "Every circumstance which has weakened the economic position of the small holder has increased the supply of agricultural labourers—loss of common rights in the rural economy, the disuse of collective enterprise, the sub-division of holdings, the multiplication of rent receivers, free mortgaging and transfer of land and the decline of cottage industries."*

87. Classes of Agricultural Labourers.—The agricultural labourers may be generally classified into three groups, viz., field labourers, ordinary labourers and skilled labourers. The field labourers are the ploughmen, reapers, sowers, weeders and transplanters. Most of them are engaged in seasonal type of work. There is no doubt a certain section among them whose services are maintained all throughout the year or for at least a period of six months. They are the permanent and semi-permanent field labourers. The ordinary labourers are engaged in such work as embankment buildings, well digging, canal silt clearing and for such other odd jobs which are connected with agriculture. The skilled labourers include carpenters, masons, blacksmiths and leather workers and such other artisans who, though not exclusively agricultural workers, are frequently employed by the farmer. The wages paid to these classes are governed by the rates of wages of agricultural labourers.

88. High Percentage of Female and Child Labour.—In the total labour force employed in agriculture, there is a high percentage of female and

† Agricultural conditions in Northern India, by Dr. A. H. Lorenzo, p. 11.

* Land Problems in India. p. 215.

child labour. Taking all occupations together there are 465 females per thousand male workers. This proportion varies with provinces namely, Punjab 115, U.P. 423, Bihar and Orissa 411 ; the proportion for ordinary cultivation is still lower, being 393 for India and 195, 423 and 387 for these provinces respectively. The total number employed in agriculture according to 1931 census might be 26 million and if only field workers are taken it would be 14.25 million for India. If unspecified workers are included the figure might go up to about 29 to 30 million. Women are generally employed in such semi-skilled work as weeding, husking and reaping. In these operations, the female worker can hold her own against her male partner. Perhaps she is more efficient. There are parts in India, specially in the North and in some primitive regions like Chota Nagpur, where the womenfolk have not the supposed feeble physical powers. Dr. Lorenzo observes : " In the Punjab the hill-women of Rathi, Kanet, Dagi and Koli castes, seem to be real amazons and among the plain-dwellers, the Meo women of Gurgaon have an equal share in the men's work in large numbers. In Singhbhum the Ho women do all the agricultural work, while the men are indolent and lazy." This factor of equal efficiency in work should be kept in mind while fixing the rates of wages. If the female labour is capable of equally efficient work, why should she not be entitled to equal rate of pay which is today not prevalent ?

The employment of child labour is very common in agriculture. There are certain agricultural operations such as weeding, husking, spreading manure, watching crops, carting, etc. in which children are frequently employed. Of course, the reason for employing the child labour is that equally efficient work can be secured on a much lower pay. Since no satisfactory work can be performed by children at a very young age, in agriculture most of the child labour is recruited from the age group of 10 to 15 years. There are various types of exploitation of child labour specially in respect of hours of work and rates of wages. In the case of hired child labour, the work is tedious and day-long. Children have been found to labour from six in the morning till late in the evening, and in moon-lit nights, work is resumed after dinner and continues till midnight. Besides excessively long hours of work, the conditions of work have been most unhygienic. The rates of wages are very low. While there has been a marked rise in the wages of the adult male labourers, the rates of wages for child workers have remained the same.

89. Rates of Wages and Mode of Payment.—Comprehensive and reliable statistics regarding wage rates of various types of agricultural labourers are not easily available. We have to rely on regional enquiries carried on by individuals. Generally speaking, before the war, the daily wages may be said to range from 3 to 6 annas for men, 2 to 4 annas for women and 1½ to 2 annas for children. Permanent employment and fixed wages in kind or cash at an annual rate or for the season are found only on bigger

farms and estates in which case the wages might vary from Rs. 60 to Rs. 100 a year.*

Dr. Radha Kamal Mukherjee who has done pioneer work in the collection of statistical data about the agricultural labourers has given the following rates of wages and modes of payment in different parts of India.**

Field labourers are often paid in kind for their services. They receive a share in the crop together with other dues which are fixed by custom. This custom varies from province to province. Again the share of the farm-hands is standardised by a bundle tied with three lengths of straw. As the straw length increases or decreases with a good or bad harvest, there is an automatic adjustment of wages. The Chamars in the U.P., who supply the bulk of the agricultural labour in ploughing, sowing, and reaping, get 1/13th part of the produce of barley and 1/16th part of wheat. In Bengal, reapers are paid in kind at the rate of one bundle per 10 bundles they cut. Wages in kind for agricultural labourers who are on a yearly contract, are 8 to 10 maunds of rice a year, two pairs of clothes and two napkins together with other small requisites. In the Bombay Presidency, in an enquiry of 990 villages, it was found that cash wages without supplement were usual in 233 villages and grain wages, in 376 villages. Wages in kind are about 5 seers of jowar, while cash wages are 8 to 10 annas a day in the more prosperous districts. In the Western Punjab Rs. 5 per month, with a blanket and a pair of shoes at the end of the year, are what a day labourer expects. In the canal colonies, he receives twice that amount and food and clothing as well and if he has sufficient skill to work in a garden he can earn as much as Rs. 18 or Rs. 20 a month. Cash wages in the Punjab are thus 6 and 7 annas a day and in the United Provinces 4 to 6 annas.

90. Lag between Wages and Prices.—The most remarkable thing about the wage rates is the lag between prices and the wages which substantially reduces the real income of the agricultural labourer. The level of wages has some relation to the level of prices but increase in wages usually lags behind increase in prices. Dr. Radha Kamal Mukherjee illustrates this position with the help of some figures collected in Bengal.

Daily Wages

	1852	1862	1872	1911	1922
Field labourer without food (in annas) ...	1½	2	2	4	4 to 6
No. of seers of rice per Rupee ...	30	27.1	22.7	15	5

* Indian Rural Problem by Nanavati and Anjaria, p. 31.

** Land Problems of India, page 222.

Between 1852 and 1922, the price of rice rose 8 times but wages rose only between 4 to 6 times. "Real wages" therefore fell by 20 to 50%.

In the United Provinces, the movement of the index number of prices and wages was as follows:*

	1900	1905	1910	1915	1920
Wholesale prices ...	107	109	127	173	243
Agricultural Wages (unskilled) ...	100	100	100	100	120

91. Standard of living.—In our country there are very few studies, whether by the Government or by non-official agencies, into the family budgets of the agricultural labourers. We, however, refer to the few studies available on the subject to indicate the sub-human level of existence of this huge mass of population.

According to Thomas and Ramakrishnan (Some South Indian Villages—A Resurvey—p. 340) only 2/3 of the income necessary for subsistence even on a low standard was earned by the landless labourer in that area. According to the Famine Commission of Bengal, (1945), $\frac{1}{3}$ of a seer of rice would be adequate for daily subsistence per head of a family of the cultivating classes. But very few could secure that amount. According to Prof. N. G. Ranga's investigations in South Indian Villages,** 18 oz. of cereals per capita were the minimum needed to keep the ryot's family in any working condition. The Panchamas, both men and women, who are arduous workers, need much more food. Five out of nine families suffer from under-consumption of cereals, whereas only one out of five *sudra* families fare so badly. Panneyals have usually three meals a day if they can get them. During rainy season they are unable to get afternoon meal and many have to be satisfied with half a meal in the evening. In most cases although the food may seem to be quantitatively adequate, it has very little nutrition and vitamin.

The following Malayalam saying*** describes how the agricultural labourer in Cochin maintains himself "*Chakkayum Mangayum Orusingam, Thaluthamara Orusingam, Angane Ingane Orusingam.*"

✓ It means: He lives on Jackfruit and Mangoes in one season, plant leaves in another season, and here and there in the third season.

92. World War II and Wages.—War certainly raised the rates of wages of the agricultural labourers. Due to mobilisation, increased employment

* R. B. Gupta, Agricultural Prices in U.P., Bureau of Economics and Statistical Research, U.P., Bulletin No. 8—Statement 3-A, page 32.

** Prof. N. G. Ranga—Economic Organisation of South India, 1926—Vol. I, pp. 17 and 18.

*** Quoted in Agrarian Problems Enquiry Committee Report of Cochin State, 1949, page 341.

in war industries, a large percentage of agricultural labour was withdrawn from the countryside. In reply to the questionnaire of the 'Famine Enquiry Commission, most of the Provincial Governments, except Orissa, stated that the rates of wages of agricultural labourers had risen simultaneously with the prices of food and other essentials. In the absence of any all-India enquiry it is difficult to make any statement either way.

It is true that there was price control and rationing and the Economic Adviser's Index Number gives us an idea about the rise in prices. But it is admitted on all hands that the machinery of price control and rationing was all but effective in the countryside. Blackmarketing and profiteering were rampant and the agricultural labourers had to pay a heavy toll in the hands of corrupt officials.

There have been two independent surveys in U.P. by Prof. Sridhar Misra of Kanya Kubja College and Prof. Vir Bahadur Singh about the rise in the rates of wages and rural cost of living. Both of them deposed before us and we place the result of their investigations below. They might be taken as some index of the gap between the rise in wages and the rise in cost of living.

Prof. Sridhar Misra in his investigation enquired into 60 family budgets on the basis of 26 essential commodities into the budgets selected.

Table showing Daily Rate of Wages (in annas—cash)*

						<i>December</i>	
						1939	1947
						<i>MALES</i>	
Hill Tract	...	...	...	...	...	8	24-32
Plains—Western	...	...	...	...	...	4	16
„ —Central	...	...	...	...	...	3-4	10-12
„ —Eastern	...	...	...	...	...	2½-3	8
Bundelkhand	...	...	...	...	...	3	12-14
						<i>FEMALES</i>	
Hill Tract	...	...	...	...	...	8	28-30
Plains—Western	...	...	...	...	...	3	12
„ —Central	...	...	...	...	...	3-4	8-10
„ —Eastern	...	...	...	...	...	2½-3	6
Bundelkhand	...	...	...	...	...	3	8-10
						<i>CHILDREN</i>	
Hill Tract	...	...	...	...	...	4	16
Plains—Western	...	...	...	...	...	2-2½	8
„ —Central	...	...	...	...	...	2-2½	6
„ —Eastern	...	...	...	...	...	1½	4
Bundelkhand	...	...	...	...	...	2-2½	6-8

*On a reference being made by the Secretary to Dr. Radha Kamal Mukherjee, under whom Shri Misra carried on his investigations, he replied—"The materials submitted by Shri Shridhar Misra are reliable and authentic based on field investigations under my supervision and their findings are important and should be used without hesitation in Government or public documents."

Table showing rise in Wages in 1947 over 1939

Region	Males %	Females %	Children %	Total Range %	Average %
Hill Tract ...	300-400	350-375	400	300-400	350
Plain—Western ...	400	400	320-400	320-400	360
,, —Central ...	250-400	200-333	240-300	200-400	300
,, —Eastern ...	266-320	200-240	266	200-320	260
Bundelkhand ...	400-466	266-333	240-400	240-466	353

Rise in the Prices of Commodities

Region	Food	Light & Fuel	Clothing	Miscel- laneous	Total
Hill Tract					
Garhwal ...	415	268	291	295	356
Western Plains...					
Shahjahanpur ...	471	170	380	270	375
Meerut ...	545	310	264	378	441
Bulandshahr ...	508	283	428	283	416
Central Plain					
Lucknow ...	453	200	470	359	405
Eastern Plain					
Gorakhpur ...	679	167	386	416	503
Azamgarh ...	556	245	407	443	478
Ballia ...	673	179	621	800	627
Bundelkhand					
Banda ...	760	260	444	441	571
Jhansi ...	639	190	552	810	764
Jalaun ...	658	219	673	376	534

Rise in Wages and Cost of Living in 1947 with Base 1939

Region	Wages	Cost of Living	Lag of wages behind cost
Hill Tract ...	350	356	6
Western Plain ...	360	411	51
Central Plain ...	300	405	105
Eastern Plain ...	260	536	276
Bundelkhand ...	353	623	270

District	Before the War	1945	1948 (Jan.)
	Wages in Pice per day		
Azamgarh ...	6 to 8	12 to 18	12 to 18
Gorakhpur ...	6 to 8	12 to 18	12 to 18
Unao ...	10 to 14	16 to 24	16 to 24
Meerut ...	15 to 17	A5 to 12	—
Jhansi ...	12 to 14	A4 to 10	—
Almora ...	18 to 22	Rs. 1 to 1/4	—

N. B.: A—Annas.
Rs.—Rupees.

Lag in Agricultural Wages and Prices

District	1939		1945		1948 (Jan.)	
	Wages	Prices	Wages	Prices	Wages	Prices
Azamgarh	100	100	214	300	214	448
Gorakhpur	100	100	214	340.7	214	448.3
Unao	100	100	125	400	125	426
Meerut	100	100	212.5	425	—	—
Jhansi	100	100	215	335.3	—	—
Almora	100	100	360	318	—	—

The retail prices, quantities and qualities of these commodities have been collected from villages in 11 districts in different regions of U.P.*

Prof. Vir Bahadur Singh made similar enquiries on regional basis and collected comparative figures relating to pre-war and post-war rates of agricultural wages as well as cost of living.

In course of our tours we contacted the peasants directly in the villages and examined them with reference to the rates of wages and modes of payment. On the basis of the records of the evidence of the peasants we have computed tables of wage rates (appendix to this Chapter). The figures collected reflect the regional rates for the different provinces.

We feel that the War has not brought about any substantial rise in the real income of the agricultural labourers for two reasons:

- (1) the rate of wages before the War was anything but adequate,
- and (2) there was a lag between the wage rates and the prices up to 1920 and during the War.

The Provincial Governments replying to the questionnaire of the Famine Enquiry Commission rightly emphasised the possible fall in the rates of wages in the post-war period due to demobilisation and fall in demand for labour in the war-time industries. As a matter of fact, after the war, demobilisation, retrenchment in industries and stoppage of work in factories due to communal disturbances have greatly reduced the demand for labour, which has ultimately affected the agricultural labourers. Besides, the decontrol as well as fall in agricultural production have further increased the cost of living of the agricultural labourer.

93. Early Implementation of Minimum Wages Act, 1948.—We, therefore, recommend that the relevant portions of the Minimum Wages Act should be given effect to as early as possible for agricultural labourers.

The Minimum Wages Act, 1948 in Section 3 lays down: "The Provincial Government shall, in the manner hereinafter provided, fix before the expiry of three years in case of an employment specified in part II of the Schedule . . .

* These are not the average rates but those which prevail in most of the villages under investigation. Thus they are Model Rates and can be taken to be the most and truly representative of the daily rate of wages given to agricultural labourers.

from the commencement of the Act . . . the minimum wages payable to workmen employed in all scheduled employments," Part II of the Schedule runs as follows :

" Employment in agriculture, that is to say, in any form of farming including the cultivation and tillage of the soil, dairy farming, production, cultivation, growing and harvesting of any agricultural commodity or horticultural commodity, raising of crops, bees or poultry and any practice performed by a farmer or a farm as incidental to or in conjunction with farm operations (including any forestry or timbering operations and the preparation for market and delivery to storage or to market or to carriage for transportation to market, of farm produce)." It is, therefore, clear that the Act is designed to cover all agricultural and ancillary operations. Section 16 (2) of the Act provides that " Provincial Government, may, if for special reasons it thinks so fit, direct that for such period as it may specify the provisions of this Act shall not apply to all or any class of workmen employed in any scheduled employment."

Shri S. C. Chaturvedi, Statistician, U.P. Government, deposing before the Committee considered the present times most opportune for a start in this direction because the peasant class on the whole was definitely better off than ever before and had surplus purchasing power. We agree with Shri Chaturvedi that at least the substantial peasants have benefited by the war-time boom and they should be prepared to share their prosperity with their fellow brethren of the agricultural community. Besides, unless there is some state intervention, with the fall in prices, there is every likelihood of a reduction of wages. But if the current level of wages is maintained through state action, minimum standard of living can easily be guaranteed to the agricultural labour community.

No doubt, the development of the collective farms on culturable wastes, where a good number of agricultural labourers could be settled, permanency of tenure for the sub-tenants, extension of irrigation, mixed farming for a substantial section of uneconomic holders, organisation of suitable agro-industries, regulation of hours of work and prohibiting employment of child labour and female labour during certain periods, stimulation of greater inter-regional mobility of the labour force would all give an upward pressure to the level of wages of agricultural labourers.

Yet, as we have stated earlier, there should be intensive efforts as directed in the Jaipur Labour Resolution of the Congress, on the part of the Provincial Governments to implement the provisions of the Minimum Wages Act.

We recommend that the daily minimum wage of a casual labourer (agriculture) should be so fixed as to provide his minimum daily requirements during the period of employment. Since there are many kinds of work needed for the cultivation of any crop, and in most places there are more than one crop,

the minimum piece as well as time rates of wages to be paid should be carefully worked out. Even today wages are generally paid in kind consisting of certain quantities of local standard of the grain of the crop raised as well as some amount of food, clothing, housing etc. Standardisation of wages for each season in terms of different crops is necessary. Wages in kind should be so determined that the cash equivalent would be enough to meet the ordinary expenses of living of agricultural workers. Cash wages should also be fixed with regard to local costs of living as well as the general standard of living of the local workers. There should be suitable provisions for seasonal wage payments as well as payments of annual salaries.

The Wages Board, keeping in view the local usage, should prescribe for different areas and different crops and for different pieces of work, standards of minimum efficiency of work. Minimum wages to agricultural labourer should depend on the fulfilment by agricultural labour a standard of minimum efficiency laid down by the Wages Board, provided labour is given proper facilities of work. Wages would be paid in cash or kind with the option of the agricultural labourer to accept the payment entirely in kind or partly in kind and partly in cash or entirely in cash.

94. Wages Boards.—We recommend that to determine the minimum wage, a Wage Board consisting of one Government nominee, one representative of the landed peasantry and one representative of the agricultural labour should be appointed at the District level. There shall be an appeal from the District Wage Board to the Provincial Board which would be attached to the Land Commission and whose function would be to bring about reasonable parity in the rates of wages in different regions of the province. From the studies about wage rates given above it would be apparent that wage rates today have no reasonably uniform level between one place and another. The agricultural labourers frequently belong to castes or communities, weak both economically and socially, their wages depending on a variety of influences amongst which the consideration of caste to which the agricultural labourer belongs is even today an important factor. It is, therefore, necessary that there should be some apex organisation over these District Wage Boards to bring about some evenness in the regional rates of wages. Minimum rates of wages determined by the Wage Boards should be announced before the commencement of the agricultural season.

The Wage Boards, in addition to the task of determining the rate of wages, should make scientific and realistic studies of costs of cultivation and standard of living of both peasants and workers.

95. Land Tribunal.—The difficulty of enforcing these rates of wages would be very great indeed, specially in the absence of any well-developed organisation of agricultural labourers. We, therefore, recommend that a

Land Tribunal consisting of equal number of representatives of landed and landless peasantry with an official chairman should be appointed in each local area to discharge the following functions :

- (a) Implementation of the decision of the Wage Board regarding Minimum Wages,
- (b) Peaceful settlement of disputes between the landed and landless peasantry.

✓ The Land Tribunal will have an Inspectorate who will be assisted in their work to a great extent by the officials of the Village Panchayat. One of the duties of the inspection staff should be to see that the family of the labourer gets substantial advantage out of the wages paid to the labourer. We have in course of our recommendations emphasised again and again the importance of the organisation of Village Panchayats. Since most of our recommendations including the one of minimum wages could be successfully implemented by a well-developed and properly functioning Village panchayat.

It has been suggested that the enforcement of the provisions of the Minimum Wages Act on farms irrespective of their size might drive the small farms, i.e., the bulk of the agricultural farms, out of cultivation and they would find it difficult to pay the minimum wages. [We feel that in a way this would drive the small holders into the co-operative joint farms which would increase the productive efficiency so much that it will make it possible to pay the minimum wages to the agricultural labourers. As payment of minimum wages would be an element of cost of production, prices of agricultural products should be so fixed that the average unit of agricultural production under our scheme can bear this charge without incurring any loss. (We discuss this question in greater detail in the chapter on Agricultural Prices.)

96. Equal Pay for Equal Work.—In the wage rates prevalent today and shown in the tables appended to this chapter there is a marked disparity in the wages of the male and female and child labour. It has been also made clear that in some operations there is no difference between the male and the female labourer in respect of efficiency of work. We do feel that the practice of the U.S.S.R. in making no distinction in respect of pay for men and women should be followed while fixing the rates of wages at least for some operations. The rates of wages for children should have reference to their essential needs as members of a family. In the Soviet Union all employed youths over 16 receive the same wage as adults performing the same work in agriculture while young workers are trained without any cost to themselves and receive pay while learning. This unique achievement of the U.S.S.R. should be a beacon-light to all countries fixing fair rates of wages for labourers—agricultural as well as industrial.

Before the full-fledged machinery for the determination and enforcement of minimum wages comes into operation "guiding principles" for workers should be issued on as wide a scale as possible. The object behind this would be to educate the agricultural workers and to simplify the existing complexities in agricultural wages—which differ from village to village, work to work, even with little or no appreciable difference in physical efficiency, and time to time with very little increase or decrease for the supply of labour—in the modes and methods of payments and in the length of working day. Efforts should be made to collect basic data bearing on all these aspects regularly from the representative regions and to disseminate among workers in each village through the Revenue Officer or the Panchayat where they exist. This work should be taken up by a full-fledged Employment Exchange at District, Provincial and all-India level—when they are formed. The need for an all-India Employment Exchange of agricultural labour could be realised if we take into consideration the uneven nature of the supply of agricultural labour in different provinces. While the labour exchanges would greatly facilitate mobility of labour by spreading information about the demand and supply of labour in different regions, transport facilities at concessional rates should be placed at the disposal of the agricultural labourers. The workers' trains are common in Denmark and Norway. In Finland during the winter when agricultural work decreases, the unemployed agricultural worker can easily migrate to forest regions on account of excellent transport facilities provided by the State. While touring in the different provinces we found large number of agricultural labourers going for harvesting and transplantation work from one place to another on foot. Most of them had to cover long distances under difficult conditions. We do recommend special concessions as well as special railway accommodation for agricultural labourers. Special rest centres may also easily be established with the help of local bodies.

97. Regulation of Hours of Work.—For the agricultural labourer the field working day is excessively long. While his counterpart in the industrial sector has been enjoying the benefit of regulated hours of work, no effort has so far been taken to extend the same facility to the agricultural labourer. The question has not even been mooted as a practical proposition. It is true that in countries like England, Germany and America, where there is industrialised farming, hours of work can be fixed easily because of the somewhat permanent nature of the employment. In India, due to seasonal considerations, hours of labour in farming are bound to be unequally divided. In sowing and harvesting labourers have to work long hours. We do feel, however, that elastic legislation may be made according to the agricultural conditions of the country and to meet the needs of each category of agricultural labourers.

According to Prof. N. G. Ranga, in his note to the National Planning Committee, for seasonal labour the hours of work may be allowed to vary

from time to time and from place to place, but care should be taken that the maximum number of hours of labour does not exceed 12 hours for males, and 10 hours for females on any day and 56 hours in any week, and special scales of pay are prescribed for overtime payment over and above 8 hours. For the regular farm workers or annual servants, suitable regulations will have to be made by the Local Wage Boards to fix their maximum hours of labour, keeping in mind the need of agriculture for specially prolonged hours of work in certain seasons, specially in the ploughing, sowing and harvesting seasons. In this connection the practice of fixing the total number of hours per annum may also be considered as provided in the collective agreements in Sweden, 10 hours a day and the maximum total of 2,700 hours per annum ; in Germany a maximum of 2,900 hours per annum ; and in Czechoslovakia, 2,618 hours to not exceeding 3,000 hours per annum.

Regarding legislation for other amenities like sickness-insurance, old-age insurance, etc. we feel that agricultural labourer would be served adequately only when the Rural Welfare Service is fully organised. In a subsequent chapter we would give fuller treatment to the organisation of Rural Welfare Service. Emphasis must be laid on the provision of suitable maternity benefits. It may be mentioned for information that the International Labour Conference recommended that measures should be taken to ensure female wage earners employed in agricultural undertakings protection before and after child-birth similar to that provided by the International Draft Convention adopted at the International Conference at Washington for women employed in Industries and Commerce.* The female agricultural labourer could have such facility only when there are properly organised maternity centres and health visitors.

We also feel that there should be prohibition of employment of children below a certain age. In U.S.A., in 27 out of 48 States, the employment of children during school hours in any gainful occupation is definitely forbidden. In Canada the Adolescent Schools Attendance Act fixes the minimum age of employment in agriculture as 14 to 16 years. We are fully conscious of the fact that the low family income drives the parents to put their children to work for a wage. This can be avoided only if the wages of the male and female labourers should be so fixed that the family can dispense with the income of the child.

98. Seasonal Unemployment.—The agricultural labourers suffer not only from very low rates of wages during the period of employment but have also to face a long period of unemployment. Various estimates have been made regarding this period of unemployment by different investigators :

- (1) **J. C. Jack in Bengal has estimated 9 months idleness for jute growers and 7½ months for jute and rice growers.

* I.L.O. Third Session, 1921.

** Economic Life of a Bengal District, pp. 38, 39.

- (2) ¹ In Bihar and Orissa and Chota Nagpur, as a whole, the peasant is occupied for not more than 200 days.
- (3) ² Dr. Radha Kamal Mukherjee found that in Avadh, if the cultivator sows 2 acres with early rice followed by peas and half an acre with cane, by working alone he would have sufficient occupation for 250 days in the year. If he sowed kodon and arhar rotating with barley, he would have 150 days' work on an average.
- (4) ³ In the submontane districts of U.P. (Gonda, Bahraich, Gorakhpur), the cultivator has 177 days' full labour and 188 days' complete leisure.
- (5) ⁴ Calvert in the Punjab found that the work done by an average cultivator is not more than 150 days' full labour whereas Bhalla in Hoshiarpur has estimated that the cultivator works for 278 days only, taking normal day of ten hours.
- (6) ⁵ The Agricultural Commission assumes that by far the greater number of cultivators have at least two or four months of absolute leisure.
- (7) ⁶ The number of days when agricultural labour is not able to find work may be estimated as ranging between 120 and 200 days. The Protector of the Depressed Classes estimates 200 days in a year as the maximum number of days of work of agricultural labourers in a holding.

From the above, the seasonal character of agricultural operations and the forced unemployment of the agricultural community can easily be gauged. The fortune of the agricultural labourer being very much tied with agricultural operations can be no better, rather would be much worse, than that of the landed peasantry. In the course of our investigations in the different parts of India, we found that the agricultural labourers who are not permanently employed have to eke out some subsistence by thatching, digging or fishing. The rates of wages during this period are much lower than the rates they earn during the busy season. Some of them migrate to industrial areas. The growth of this huge floating population, however, not only weakens our rural stability but is also in a large measure responsible for the present industrial unrest. Stabilisation of the rural economy, specially in this sector, is possible by development of suitable agro-industries. (We discuss the question of agro-industries in a

¹ Dr. A. H. Lorenzo—Agricultural conditions in Northern India, p. 134.

² Rural Economy of India.

³ Dr. Lorenzo, page 144.

⁴ Board of Economic Enquiry, Punjab Publications Nos. I and II.

⁵ Central Report, para. 488.

⁶ Report of the Agrarian Problem Enquiry Committee, Cochin Government—1949, page 341.

separate chapter.) Much relief can also be given to the agricultural labourers by well-planned activities of the Public Works Department of the Government and of the Forest Department. Afforestation, road-building, digging of wells and canals can be so timed that they might absorb the labour power of the agricultural communities specially of the landless section during the period of seasonal unemployment.]

During this period of unemployment the agricultural labourers get into debts, the rates of wages during the period of employment being hardly sufficient for even bare existence. It is not possible for them to lay by anything against a rainy day. Leading a life of continuous want and semi-starvation these people naturally become improvident when they get a few annas to spare during the period of regular employment. When unemployment comes to them for a period of nine months or so, they have to take loans from the village money-lender and, having no security to offer, they fall an easy prey to the utmost exploitation of the money-lender. In the chapter on 'Agricultural Indebtedness' we have recommended the scaling down and wiping out of the burden of debts, but mere scaling down or wiping off their debts will not help them much unless they can be assured of facilities of co-operative credit. Methods will have to be devised by which prompt and cheap co-operative credit facilities may be equally available to these people as to the landed peasantry from the village multi-purpose co-operative society.

99. Agrestic Serfdom and Feudal Exploitation.—Dr. Radha Kama! Mukherjee in his *Land Problems* speaks about a class of agricultural labourers who rarely receive cash and whose conditions vary from absolute to mitigated slavery. According to him, agrarian serfdom is most prevalent in those parts of India where the lower and depressed classes are numerous. "In fact, the ethnic composition of the village, which governs the social stratification, is responsible for the survival of the slavish conditions."*

He has described the conditions of *Dublas* and *Kolis* of Bombay as no better or less than that of bond slaves. He has spoken of *Padialism* or debt slavery in Madras among *Izhavas*, *Cherumas*, *Puleyas*, etc. He gives a detailed account of the *Kamia* in bondage in Bihar. Dr. Mukherjee, after giving a review of the conditions prevalent, concludes that wherever the status of the farm hand verges on slavery like that of the *Padial* or *Puleya* in Madras, the *Chakar* in Orissa, the *Shalkari* in the C. P., the *Harawaha* in Central India or the *Kamia* in Bihar, the system can be abolished by nothing short of special legislation making it penal to keep a bond slave and extinguishing all his debts. He also suggests that new lands should be reclaimed and the released serfs should be settled on these new lands.

Dr. A. H. Lorenzo who made a first hand investigation in parts of Chota Nagpur, Bihar and Orissa studied the *Kamiauti* system of agrestic serfdom

* *Land Problem of India*, p. 226.

and collected reliable data after a continuous stay of several years amongst slave workers. In his book on 'Agricultural Labour Conditions in Northern India' he has given interesting details about the agrestic serfdom prevalent in those parts of Northern India. It is time that the Kamiauti Agreement Act (VIII of 1920) makes such contracts void if the term, for which the labour is to be rendered exceeds one year, if the debt is not to be extinguished with the term, or if fair remuneration is not to be provided for the labour. But the Act does not apply to agreements entered into by skilled workmen so that the old Kamiauti conditions may still apply to labour rendered by such persons as Chamars. This Act has not been effective in suppressing the abuse.*

Dr. Lorenzo describes how a *Kamia* is purchased by his owner. "The purchase price of a new *Kamia* takes the shape of the fee paid by the landlord for the purchase of a wife for the *Kamia's* son. The intended wife and her mother are given a few yards of cotton cloth piece, a few cooking utensils, and a rupee or two and the *Kamia* and his son, along with the rest of the family are given a feed. The whole show does not cost the landlord more than ten or fifteen rupees. The calculations are based on the current local market price of commodities prevalent in the interior villages in Chota Nagpur in 1936."***

Regarding the prevalence of this type of agrestic serfdom, Dr. Lorenzo, observes in 1940:*** "In 1932, Dr. Radha Kamal Mukherjee personally found that 20% of the population of a village in Hazaribagh consisted of *Kamia* serfs who hold no land. Our investigations in several districts of Bihar, Orissa and Chota Nagpur have disclosed the fact that although the system has not been spreading, as before, it is still in existence."

In the course of our tours we had no occasion to meet a *Kamia* or other types of agrestic serfdom prevailing in different provinces referred to by Dr. Lorenzo. But in Bombay and Madras we found and questioned some *Halis* in taluk Bulsar of district Surat and some *Panneyals* in Tanjore district and some *Cherumas* in Malabar. We describe below their conditions:

Bombay.—*Halis*: Generally found in the Surat district of Gujarat, the *Halis* are drawn from the five communities, i.e., *Dublas*, *Talavias*, *Naikas*, *Dhodias* and *Ghodras*—the bulk of the *Hali* population, however, being *Dublas*. The total number of *Halis* has been estimated as 20% of the agricultural population of the district.

√The *Hali* system is a form of agrestic serfdom most frequently originating in paltry loans taken for payment of bride's price and other expenses enjoined by backward social customs. Under it the *Hali* and to some extent the members of his family bind themselves practically for life to serve a master called

* W. B. Heycock giving evidence before the Royal Commission—Bihar and Orissa—Vol. XIII.

** Agricultural conditions in Northern India, p. 80.

*** *Ibid*, p. 188.

locally the Dhaniama. Theoretically the Hali can free himself by paying off the debt but actually due to illiteracy of the Hali and the machination of the Dhaniama, payment of debts is a rare phenomenon. Rarer still is any case of desertion, though the contract between the Dhaniama and the Hali is not legally valid. Such is the class solidarity of the Dhaniamas that a Hali who has deserted one Dhaniama would never be employed by another. While enquiring in Tanjore district, Mayavaram taluka of Madras about the panneyals, we found the same unity among the masters making any change of master unless permitted by the master himself almost impossible for the panneyals.

Besides, the Dhaniamas, belonging to the higher castes have sedulously developed a deep rooted feeling among the Halis that running away from the master is a great sin for which God will punish the Hali's descendants. We actually asked a Hali if he would leave his master and come to Bombay for better wages and were told that it would be a sin for the Hali to leave his Dhaniama.

Almost like the "dead souls" in Czarist Russia, these Halis are sold like chattel, along with land. Sometimes prices are paid separately for the Halis, sometimes not. We found in Mayavaram in Madras, panneyals changing hands with land. In village Koiur, a few miles from Calicut, we examined a Karijathn (a sort of semi-serf) who reported the practice of letting out these semi-serfs by their masters during periods of unemployment.

An agricultural labourer wanting to be a Hali in exchange of a loan has to undergo a period of apprenticeship for 2-3 years. And a Hali's son who generally becomes a Hali by taking a loan at the time of his marriage has to approach the Dhaniama of his father, because, upto now, has he not lived on the Dhaniama's charity? e.g., the wages paid to father Hali, and thus has not the Dhaniama acquired an indirect, but nonetheless a definite claim on the young son of the Hali? This automatic transmission of serfdom from father to son, from one generation to another, though not uncommon among the panneyals of Tanjore is, however, not the general rule. We came across panneyals' sons working under masters different from those of their fathers.

Wages are generally paid in kind, called the 'Bhata', a ration of food grain, varying from place to place. This payment in kind, not being by weight but a certain measure, is always an underpayment to the extent of 10 to 25%. In fact payment in kind, though it has the virtue of not being affected by the lag between wages and cost of living, generally suffers from this drawback of giving a further opportunity to the master to cheat the agricultural labourer. The Hali, however, cannot demand payment in cash as a matter of right. When paid in cash the Hali gets less than the current value of the grain wages.

The quantity paid as 'bhata' varies from 2 to 2½ seers of jowar and 4 seers of paddy. In pre-war days in place of 4 seers of paddy the Hali got Re. 0-4-0 if he was paid in cash. Following the war, there has been a tendency on the part of the Dhaniamas to pay wages in cash. Wages in kind remained the same and were not affected by the war. The same is not the case with cash wages. A Hali getting 4 seers of paddy will now get Re. 0-8-0 if paid in cash. Thus, whereas cash wages rose, the rise in wages lagged far behind the rise in prices of agricultural produce and to that extent they have increased less in proportion to the increased income of the Dhaniama.

In addition to his daily wages, the Hali gets some emoluments in kind. There may be meals once or twice a day, tea or tobacco once or twice. On festival days and marriage occasions he may get cloth, a pair of shoes, food and pickles. The practice, however, is not uniform and varies from place to place.

In certain places the Hali gets what is called 'Valva' which may be called a kind of annual bonus. This may take the form of a certain quantity of paddy or jowar. Sometimes two or five *vasas* of land may be given to him for cultivation without any charge. Very often such land is an outlying part of the Dhaniama's field and is cultivated along with the same. The Hali has only to harvest his share of the produce.

Amongst some other facilities allowed to the Hali is the freedom to collect fuel for his use from the Dhaniama's land. He is given some space by the Dhaniama to construct his house, the necessary materials and straw for thatching. If the Hali is able to rear a goat, a cow or a buffalo, the Dhaniama allows him to graze them on his field. In return he appropriates the manure left by the Hali's cattle. He also claims a share in the progeny of the Hali's cattle.

It is difficult to commute in cash all the payments made to the Halis, both in cash and kind. Prof. Dantwala, a member of our Committee, who was the Secretary of a Committee appointed by the Bombay Government to investigate into the conditions of Halis, is of the opinion that in the pre-war normal times all the payments taken together might not have been equivalent to cash wage of a casual labourer. Even during the war and thereafter the parity between the wages of the Hali and that of the casual labourer might not have been reached. It is likely that with his extremely low standard of living and the consequent inefficiency, the Hali may ultimately be expensive to the Dhaniama.

Womenfolk of the Hali's family, almost invariably, work at the Dhaniama's house. They look after the cattle shed, grind grain, clean utensils, fetch water from the wells. For work in the fields the woman gets almost as much as the Hali when the payment is made in kind, and when in cash it is slightly less. For domestic work, the wages are different. On an average it would be Rs. 2 to Rs. 3 a month in addition to a *Sari* every year. In certain cases, however,

the monthly wage may go up to Rs. 7. Obviously, the payment is much lower than the services rendered.

The Hali's sons are generally employed by the Dhaniama as herd-boys. Very rarely, when the father's master has no work, the son may go to work for others. The wages for this work are generally paid in cash which may range from Rs. 6 to Rs. 12 per year. The work of the Hali's son as a cow-boy really initiates him into the Hali system and is the beginning of his becoming a full-fledged Hali.

Now a few words about the Hali's housing condition. In almost all cases the house is situated on the Dhaniama's land who also supplies materials for erecting a miserable hut. But there exists no oral or written agreement indicating that any type of tenancy exists with the result that the Hali is entirely at the mercy of the Dhaniama for his living space. The house sites provided are generally unhealthy, particularly during the monsoon, when they become malarious. Small streams of rain water from other parts of the village flow through or near these places because they are generally in low-lying areas, often water-logged. Very often the place is full of obnoxious smell very injurious to health.

The huts are always indescribably bad. Improvised out of inadequate and inferior material, they provide little protection from rain and sun. During the rains the thatching material decomposes and water drips into the hut from many spots. There is no ventilation and the interior is almost perpetually dark. For the size of the Hali family the space is very inadequate and the situation worsens if he has a goat or a cow, which has also to be kept inside the hut during the rains and winter nights. The dependence of the Hali on the Dhaniama for the house site reduces his bargaining power too because the threat of ejection always hangs over him like the Damocles' sword.

Malabar.—Shri K. Kelappan, the President of Kerala P.C.C. in his memorandum to the Committee says: "There is forced labour still prevalent in certain rural areas. They lease them out to farmers who want cheap labour to cultivate their farms. This takes different forms. In certain areas the Harijans receive certain presents during *Onam* and *Vishu* in return for which they undertake to work for the donor for wages lower than the current rate. Though this undertaking is supposed to be voluntary, it is not so. There are other forms where the 'serfs of a Jenmie' are leased to certain people for a return to the Jenmie in money or paddy. The rights the Jenmie exercised over these poor human beings will, thereafter, be exercised by the lessee of these unfortunates."

While deposing before the Committee at Calicut Shri Kelappan, in reply to a question on forced labour said: "There are certain areas, especially in Chirakkal Taluq, where some of the Rajas and landlords have got a number of serfs under them. In Amarambalam in Ernad Taluq, a case came to my notice. There is an old family, but now they have gone very poor. Their

one source of income is letting these serfs to others on the basis of so many paras (a measure) of paddy for each labourer let out. As lands are leased on *Kanam*, these people are also sometimes leased."

The Committee examined some Cherumas, both males and females and other agricultural workers. Their frail and bony bodies, their emaciated and worn-out looks, their tattered clothes, all bore testimony to the extreme form of exploitation. They indeed looked sub-human and presented a piteous sight.

Madras.—*Panneyals of Mayavaram*: Mr. F. R. Hemingway wrote in the Tanjore Gazette in 1915 that "many relics of the former state of things (slavery) still exist. The right of the landlord over the Panneyal is often also transferred in the document which transfers the ownership of the land."

1½ measures (Madras) of paddy was the wage of an agricultural labourer in Tanjore in 1915 (1 M. M.=36.57 ozs.). The same continues to be the wage today in the greater part of the district, though at places it may have been raised to 2 M. M. At the existing price level, 1 Madras measure of paddy will fetch annas five to six and 1 Madras measure of rice will cost about eleven annas.

The main features of agrarian serfdom which the Committee found in the villages of Mayavaram Taluka of the Mirasdar-ridden Tanjore district are more or less the same as in other places though the exploitation may be said to be more intense. Here, as elsewhere, the farm servant and his wife must be available for agricultural and domestic service, whenever required by the master. They may work elsewhere, though this seldom happens. He is also indebted to the master, borrowing small loans, particularly for marriage purposes. He is generally ignorant of the amount of the loan outstanding against him as the entire account is kept by the Mirasdar. He stays in the house site provided by his employer. He is also given a small strip of land to grow his own crops. A portion of his wage is paid at the time of the harvest. Sometimes, when it is a proportion of the gross yield, it is variable. Once in a year he gets some cubits of cloth and some gingili oil, barely enough to oil his hair.

Cases of hereditary farm servants tied to the land being transferred along with the land to the new landowner have no doubt become rare. And though the ordinary law does not bind the labourer to an employer, there are more powerful sanctions which in effect do tie him to the Mirasdar. There is the fear of eviction from the house site, of recall of loans, of being deprived of the small plot allowed to him for self-cultivation.

Shri M. Narayana Nallappah, founder-President of the Madras Provincial Agricultural Labour Federation (Estd. 1908) in a memorandum submitted

to Dr. Rajendra Prasad, President of the Indian Constituent Assembly observes: " To suck the blood of innocent landless farm-servants known in this province as Panneyals, the landholders coerce them to work in their farms 70 hours a week and are unwilling to pay them reasonable living wages for the working months, nor are they given freedom to move about ; besides, to keep them under their heels and at their beck and call they not only launched on a policy of atrocities to appropriate all those lands in the hamlets inhabited by the landless labour families of both touchables and untouchables but secretly shared among themselves the house sites and the other lands owned by the forefathers who had, during the halcyon days, unhindered enjoyment of their properties from times immemorial; to evict the landless servants from their humble huts with no difficulty they devised another treacherous plan as to the division of the house sites to manipulate the entries, in the village registers kept in their custody, instead of the old occupant's names against the record of the Madras Permanent Settlement of 1802 and against the confirmation of the tenant's occupancy rights of the house sites by the Madras Revenue Recovery Act of 1864." The memorandum further points out that the District Officers never cared to check up the village records and reposed full confidence in the village officers who themselves were landholders.

With a view to find out the real facts, the Committee visited villages Elantangudi, Kozhayurcheri, Agarmannakudi, Manakuddi, Uluthakuppai, Bandallur, Aduthurai and Velathithi in Mayavaram Taluka of Tanjore district and examined a number of men and women farm servants.

A panneyal of Elantangudi told the Committee that he got $\frac{3}{4}$ marakkal, i.e. $1\frac{1}{2}$ Madras measure of paddy, as his daily wage. He did not get any food, nor any special presents like cloth, oil, etc. on festival days. He had work in the fields for two months during transplantation and for one month during harvesting. On other days he had no work to do except when the Mirasdar employed him which never exceeded ten days a month. He borrowed Rs. 40 from the Mirasdar in 1932 for his marriage but was not able to clear it till then. The Mirasdar further wanted him to execute a promissory note for Rs. 120 which, according to him, was borrowed by his father. He was given about 70 kulis of land in the backyard for cultivation but he had to give $\frac{2}{3}$ rd of the produce to the Mirasdar. Last time he was allowed to harvest his produce only after he had paid Rs. 10 to the Mirasdar.

For the greater part of the year he did not have sufficient rice to eat and so hunted field rats, crabs and snails and ate them. White lily roots and seeds and flowers of Iluppai trees were also used as food.

The members of the Committee went inside the hut of this panneyal to make a detailed examination. It was a small square structure 8 feet by 8 feet.

The walls of the hut were 3 feet high with no windows on any side. There was a small entrance about 1½ feet wide. When it was decided to take an inventory of the contents of the hut, it was too dark to see anything. Even with a lamp, it was not possible to look more than a few inches ahead. This was all at about 9 a.m.

Going down on our knees and with the help of the lamp, the following inventory was prepared :

1. Small brass water vessel	...	1
2. Aluminium cup	... ..	1
3. Brass drinking vessel	...	1
4. Bottles	... ..	2
5. Pots (big and small) ...	... ..	15

These were all the worldly goods the panneyal had.

In Kozhayurcheri, the Committee found many houses destroyed. The villagers said that was what the Mirasdar's men did as a reprisal against their demand for higher wages. Standing crops in their backyards such as brinjals and yams were also destroyed. Some houses were locked and the Committee was told that its inhabitants had fled away out of fear.

It was a ghastly sight. It was raining hard but ill-clad half-starved women weeping and wailing fell on the ground before the Chairman and members of the Committee, crying for protection. In all about 30 houses had been destroyed including that of their leader. The villagers alleged that goondas hired by the Mirasdar from the Ramnad District caused the havoc. They further alleged that roofings of the houses which were destroyed were used as faggots by the goondas.

The night school in Kozhayurcheri was also razed to the ground. This we found in some other villages also. Seeing a house razed to the ground in village Elantangudi, the Committee enquired about it and was informed that the building formerly housed a school but when the panneyals demanded higher wages, the Mirasdar got furious saying that it was education which was spoiling them and ordered the school to be destroyed.

One panneyal deposed that two years ago he demanded an increase in wages for which he was beaten by the Mirasdar. If his wife was late for work in the Mirasdar's house, she was beaten either by the Mirasdar himself or his clerks. His two brothers were also beaten from time to time.

The Committee heard similar stories of physical violence in all the villages visited by it. In some villages it was alleged that some panneyals died as a result of the severe beating they had received but the matter was hushed up by the police.

At Mayavaram, the Committee found the exploitation of human beings at its worst and agrestic serfdom at its lowest. Continuance of such a state of affairs is a disgrace for the country and a slur on our independence. Indeed, when Gandhiji visited Mayavaram in 1927 he was constrained to warn the landlords who gathered before him that their lands would grow weeds and thorns and be barren if no brotherhood of man was extended to their landless farm servants who were toiling for the health and wealth of their families.

U.P.—Gobris : In the U.P. we enquired into the conditions of the Chamars who work generally on farm lands. Baba Raghavdas who deposed before the Committee referred to the extreme poverty of a section of these people. In districts Gorakhpur and Deoria, the Committee examined peasants of villages Mathiabujurg, Jagdishpur, Siswa, Bajtila, Rauni Diha, Kusinagar, Sohuaria Sosamathia, Belua, Dumri, Dinapati and Siyarahia and found their condition extremely pitiabile. They were generally employed for 7 to 8 months in the year. Before the war they used to get Re. 0-2-0 per day. The war raised the rate of wage to Re. 0-8-0 and now-a-days it ranged from Re. 0-8-0 to Re. 0-12-0 per day. During harvesting they get 1 bundle for every 16 bundles harvested. Their women and children also seek work and generally get employment during transplantation and harvesting. They hardly ever get more than 1 meal per day. During the lean months of the year they have often to go without any food.

A system prevalent in Gorakhpur and Deoria districts is called "Gobri". A Chamar who is employed by a cultivator as *halwaha* is given the privilege of eating the grain in the dung of the bullocks. During thrashing the bullocks eat the grain on the threshing-floor and later the undigested grain come out along with their excrement. The Chamars as a part of their wages are allowed to collect the excrement, dry them and separate the grain, which they later use for their food. The employer takes away the dried dung for his own use. The Chamar may thus get 20 seers or at the most a maund of grain from 5 or 6 head of cattle during the season.

✓ **Forced Labour :** Dr. Lorenzo describes also various forms of *begar* or forced labour prevailing in different provinces in Northern India. The most common among them are :

(1) *Beth Begar*, under which labourers are forced to perform certain agricultural operations for two to five days. *Beth Begar* may be of various forms :

- (a) *Hal Beth*, for ploughing the field,
- (b) *Kodal Beth*, for weeding and watering,
- (c) *Dhan Beth*, for harvesting the crop,
- (d) *Miseni-Beth*, for thrashing the crop,
- and (e) *Moradandi-Beth*, for storing the grain.*

* Agricultural Labour in Northern India, p. 84.

(ii) *Chakran Begar*: Labourers living on homesteads on landlord's land have to render two to three days' begar in lieu of rent.

(iii) *Parjaula Begar*: In times of emergency the residents of the village have to render three to twelve days' labour to the landlord. In Bihar and Avadh, Parjaula has taken the form of *Nazarana* which may be commuted in cash.

(iv) *Buha Begar*: A borrower taking a loan of either paddy or cash or plough or plough cattle has to render in addition to the interest on the loan not less than 9 days' free labour to the lender. According to Dr. Lorenzo, the Buha system is largely responsible for the increase in the number of born serfs in the districts of Hazaribagh and Ranchi.

(v) *Dubri Begar*: This is prevalent in those regions where sub-infeudation has gone to impossible lengths.

Regarding the prevalence of Begar, Prof. Sridhar Misra deposing before us submitted that even today the common reply to this question in different villages included in his enquiry (1947-48) was *maliq ke basae hain, kam karnahi parta hai* (the landholder has allowed us to live in his domain, we have to work for him). Every person has to do work for a fixed number of days with the landlord, generally free of charge. The number of days varies from three to ten on each harvesting season. The wages paid, if valued, are negligible or take the form of *chabana, saltu or midday meal*.

With the abolition of zamindari the system of forced labour and some types of agrestic serfdom, it is hoped, will be automatically removed. The Provincial Governments have passed in some shape or form legislations banning *begar* system. In the draft Constitution of India there is a provision for making agrestic serfdom, or any serfdom for the matter of that, a penal offence.

We also strongly feel that these evils should be immediately eliminated. We recommend that forced labour should be a cognizable offence and taking of service in repayment of loan should be a penal offence. But we are very doubtful whether mere legislation alone would be of much use specially in a country where there are 25 million aboriginals who are today forbidden to hunt and cultivate in the forest, exploited in the village and who have become servile, obsequious, timid and of poor physique,* and where the agricultural labourers ridden with illiteracy and conservatism, are scattered over regions almost inaccessible because of ill-developed means of communication and are not looked after by any organisation of their own.

100. Housing of Agricultural Labour.—In course of our enquiry into the living conditions of the agricultural labourers, specially of those whose

* Verrier Elwin: "The Aborigines", p. 2.

status verges on some form of serfdom, e.g., the Halis in Bombay and the Panneyals in Madras, we felt that the stranglehold of the landed peasantry over this socially and economically backward section of the community was largely possible because of the absence of any provision of house sites for these people in the village abadi. We have already recommended that the village community should own abadi, waste lands, forests, village tanks and pastures. This would make it possible for the village community to provide free house sites and building materials like mud, wood and thatching materials like grass etc. to the agricultural labourers from the village abadi, tanks, forests and pastures respectively. The landed peasant under whom the agricultural labourer would be working should also contribute towards building materials like bamboo and grass, etc. [Thus the housing scheme we recommend would operate under tripartite contributions—the community providing house site and a portion of building materials, the employer bearing a part of the cost of building materials, and the labourer himself contributing his own labour. No huge state expense would be involved in the operation of this scheme. A ten-year planned programme of housing and plantations of quick growing trees should be drawn up for provinces and states.]

101. Organisation of Agricultural Labour.—While the growth and development of a fully organised village community would offer considerable protection to these exploited sections of humanity, yet, as we stressed earlier in the chapter, side by side with a well-planned agricultural labour code there must be an immediate countrywide organisation of agricultural labourers, not for bringing the Governments into discredit by destructive propaganda, but for ceaseless constructive activity for lifting this huge mass of population from sub-human levels of existence, which in some places run today to such depths as living on snails, rats and grains picked from cow-dung. Toyenbee's warning that the movement from slavery to freedom is also a movement from security to insecurity should always urge these unions of agricultural labourers to bend all their energies for pressing their legitimate demands through peaceful and constitutional methods lest they should be thrown into worse plight.

In fact the need for such action on the part of agricultural labourers' unions has been intensified because of the wartime structural change in the agrarian system of the country. ✓ Land has been further concentrated in fewer hands and there has been more and more proletarianisation of the small peasants. Agriculture is no longer, at least to a section of substantial peasants, a means of livelihood and a way of life but a source of profit. The sharp cleavage of interests of the landed peasantry and the agricultural proletariat would no doubt be reduced to a great extent if the existing agrarian pattern is replaced by the co-operative-cum-collective-cum-controlled private farming pattern recommended in Chapter I. Yet the conflict remains. So far against Landlordism and Sahukarism there was a united front of the peasants and agricultural labourers. With the abolition of landlordism and the regulation

and ultimate elimination of Sahukarism, conflict between the landed peasantry and the landless sections of the agricultural population is inevitable unless the two interests are organised in time and directed by conscious and constructive leadership to harmonious progress. About a decade back, Prof. N. G. Ranga rightly emphasised this aspect of organising the agricultural labourers for the protection of their legitimate interests. "To free themselves from the relentless oppression carried on by the peasants, these workers have to put up a much greater fight than what our peasants have to carry on against their common exploiters, e.g., landlords and capitalists, because the former, i.e. peasants are many times numerous, tenacious and ever present than the latter."*

✓ The All-India Kisan Sabha maintained for a period unity between the peasantry and agricultural labourers. But as early as 1937, a Khet-Mazdoor Sabha was organised in Bihar which passed a vote of no confidence in the Kisan Sabha. This Sabha demanded occupancy rights on all Shikmi (tenant-at-will) lands after one year of cultivation by the Shikmi; a maximum interest of only 3% to be charged on all their debts; penalisation of forced labour, supplying of house sites by the employers and protection against ejection from such sites, employing ploughmen with registration on paying annual salary of Rs. 48 with two meals per working day; right to cultivate free of rent 1/12 of the employer's land and paying 5 annas per day for each field labourer.

Due to the efforts of Prof. N. G. Ranga and Shri V. V. Giri, the South Indian Federation of Peasants and Workers was organised in 1935 to which were affiliated the Kisan Sabhas, Khet Mazdoor Unions and other labour organisations of the Andhra Province.

This conflict between the peasants and labourers also expressed itself in the organisation of communal organisations like the Triveni Sangh in the U.P. The Ahirs, Kurmis and Kunbis, who constitute a very substantial proportion of the labouring classes in the U.P. villages, claiming to be the three main streams of the countryside joined together under the Triveni Sangh. This movement now comprises an even larger section of the labour population of the U.P. villages. Besides the Ahirs, Kurmis and Kunbis, the Shoshit Sangh has rallied under its banner the Garariyas, Kachis, Kevats, Lohars, Telis, Kohars, Kahars, Naus, Dhobis, Chamars, Dharikars, Pasis, Mushars, Nats and Kols. And even the Ansaris, the Muslim depressed classes in the U.P. villages, joined the movement. The growing Shoshit Sangh which, shorn of its various strappings, is essentially a movement of the pure landless labourers and agricultural labourers with tiny allotments against the landed peasantry, gained notable success in the U.P. Gaon Panchayat elections. Their chief slogan,

* Note of Prof. N. G. Ranga before the sub-committee of the National Planning Committee on Land Policy and Agriculture, p. 139.

according to Shri Sampurnanand, U.P. Education Minister, was against Brahmans, Kshatriyas and Lalas, the classes who mainly constitute the landed peasantry :

Brahman Kshatriya Lala,
Inka Muh Kar Do Kala,
Inko de do Desh-Nikala.*

It is obvious therefore that unless suitable steps are taken in advance, the countryside is likely to face an upheaval in the form of peasant labour conflicts, which would have disastrous consequences on our already decadent agriculture. The exploited landless labourers and the agricultural workers with tiny allotments constitute a very inflammable material and forces are already working to make full use of them for political ends.

This leads us to the question of organisation of agricultural labour. Should there be a single organisation for the peasants as well as the agricultural labourers? We have already answered this question in a way. The social context which provided *raison d'être* for such unification of interests has yielded place to a new set-up. There should be a separate organisation for the agricultural labourers, which should be linked up at different levels through a suitable machinery. An equally pertinent question is: Should agricultural labourers be organised with the factory labourers in the same organisation? There is much force in organising the rural and urban labour under the same co-ordinating body. There is a close link between the two sections of the labour force in India as most of the factory workers are recruited from the peasantry. Collective actions in industrial areas cannot succeed unless there is a close co-ordination between the agricultural labour organisation and the factory labour organisation. In the absence of such co-ordination, any number of strike breakers would be available from the idle agricultural labourers. Again during periods of strike and lock-outs the industrial workers pour into the countryside and depress the already depressed conditions of agricultural labourers. Co-ordination of the organisation of rural and urban labour under a superior body would have the added benefit of broadening the horizon of the rural elements.

* (Means)—Blacken the face of the Brahmans, the Kshatriyas and the Lalas and exile them.

DAILY CASH AND KIND WAGES OF AGRICULTURAL

Province	Unspecified Work		Ploughing	
	Cash	Kind	Cash	Kind
Assam	...		No data available	
West Bengal	...	Re. -/12/- plus 1 meal; Rs. 2/- + 1 Meal & tiffin.		
Bihar	... -/12/-	3 seers foodgrains (1½ to 2 seers paddy) + ¼ to ½ seer sathu pailas paddy + breakfast.	-/8/-	+ 2 meals, 2½ pucca seers foodgrains + 1 bigha land; 3 seers foodgrains + 10 of land.
Bombay	... 1/4/- to 1/8/-	1 meal, 2 tea, 5 seers paddy (in lieu 8 as. cash and 4 seers paddy, tea & morning tiffin.)*		
C. P. & Berar	... 1/2/- to 1/4/- for men As. -/12/- for women			
Madras	... 1/- to 1/8/- for men & As. 10 for women.		2 to 2/8/-	
Orissa	... 1/- to 1/8/- for men As. 8 for women.	4 seers of paddy.		
U.P.	... As. 12		Re. 1/-	

* This applies to Halis also.

N.B.—For detailed information see Provincial Tables.

LABOURERS IN VARIOUS PROVINCES

<i>Sowing & Transplanting</i>		<i>Harvesting</i>		<i>Weeding</i>	
<i>Cash</i>	<i>Kind</i>	<i>Cash</i>	<i>Kind</i>	<i>Cash</i>	<i>Kind</i>
1/8/- to 2/8/-			2/- to 2/8/- both 1 meal and tiffin.		
-/12/- for men and -/8/- for women.			1 Bundle for 16 Bundles.		
	8 to 10 as + 1 or 2 meals + even 2½ M. M. + 2 meals; 1½ seers cholam (men) As. 5 to 6 + 1 meal, 2½ M.M. (women) Inamdars measure at Mirasdar's place.	5 M. M. paddy; 2 M.M. with 1 Meal; 4 M.M. 1½ M.M. paid by Mirasdars.			
	Nearly 3½ to 4 seers paddy.	Nearly 3½ to 4 seers paddy.	1 Bundle for 16 Bundles of grain harvest- ed (men) 1 bundle for 12 bundles of grain harvested (women).	-/8/- + Breakfast.	

WEST

<i>No. of cases enquired</i>	<i>Nature of work</i>	<i>Daily Cash Wages for</i>	
		<i>Men</i>	<i>Women</i>
	Sowing. 1. 2. 3. 4. Sowing and Harvesting.— 1. 2. Unspecified Casual Work.— 1. 2.	1/8/- to 1/12/- Rs. 2/- to 2/8/- 1/8/- to 2/8/- 2/-	

BOM

<i>No. of cases enquired</i>	<i>Nature of work</i>	<i>Daily Cash Wages for</i>	
		<i>Men</i>	<i>Women</i>
	Unspecified Casual Work 1/4/- to 1/8/- 1. Hali 2. Hali 3. Hali		

CENTRAL

<i>No. of cases enquired</i>	<i>Nature of work</i>	<i>Daily Cash Wages for</i>	
		<i>Men</i>	<i>Women</i>
	Unspecified Casual Work Permanent Servant	1/2/- to 1/4/-	-/12/-

N.B.—Pre-war rate Re. -/6/-.

BENGAL

<i>Daily Wages in kind for</i>		<i>Cash equivalent for Wages in kind</i>	<i>Monthly or Annual salary paid to permanent servant</i>
<i>Men</i>	<i>Women</i>		
Tiffin + 2/- Tiffin, One Meal + 2/8/-			
One Meal + -/12/- Tiffin, One Meal + 2			

BAY

<i>Daily Wages in kind for</i>		<i>Cash equivalent for Wages in kind</i>	<i>Monthly or Annual salary paid to permanent servant</i>
<i>Men</i>	<i>Women</i>		
1 Meal, 2 Tea + 5 seers of Paddy 4 Seers of Paddy Breakfast, Tea and 4 seers of paddy		As. 8 in lieu of paddy. As. 8 .. As. 8 ..	

PROVINCES

<i>Daily Wages in kind for</i>		<i>Cash equivalent for Wages in kind</i>	<i>Monthly or Annual salary paid to permanent servant</i>
<i>Men</i>	<i>Women</i>		
			Rs. 250 a year (1)

(1) Pre-war Rs. 100 to Rs. 150 ; In 1947 Rs. 128.

<i>No. of cases enquired</i>	<i>Nature of work</i>	<i>Daily Cash Wages for</i>	
		<i>Men</i>	<i>Women</i>
	Unspecified Casual Work	1/8/-	
	Coolie	1	-/8/-
	Thatching	-/10/-	
	1. Halis		
	2. Halis		
	3. Halis		
	Transplanting & Harvesting		
	1.		
	2.		

UNITED

<i>No. of cases enquired</i>	<i>Nature of work</i>	<i>Daily Cash Wages for</i>	
		<i>Men</i>	<i>Women</i>
	Unspecified Casual Work	/12/-	
	Weeding	As. 8 with or without breakfast (1)	
	Ploughing & Irrigation	Re. 1 with or without breakfast (2)	
	Harvesting		
	Permanent Farm Servant		

(1) Pre-war rate Re. -/1/6 to Re. -/2/- for weeding.

(2) Pre-war Rate Re. -/3/- for ploughing.

SA

<i>Daily Wages in kind for</i>		<i>Cash equivalent for Wages in kind</i>	<i>Monthly or Annual salary paid to permanent servant</i>
<i>Men</i>	<i>Women</i>		
4 seers paddy	3 seers paddy 5 seers paddy		10 nautias of paddy p.m. 10., + 1 napkin cloth, a few bandis of straw. Rs. 18/- p.m. + 1 piece of chaddar and straw if crop is full.
3½ Seers paddy			3 Bharnams & 5 Nautias of paddy.

PROVINCES

<i>Daily Wages in kind for</i>		<i>Cash equivalent for Wages in kind</i>	<i>Monthly or Annual salary paid to permanent servant</i>
<i>Men</i>	<i>Women</i>		
1 bundle for 16 bundles of grains.		1 Bundle for 12 bundles of grains.	Rs. 10 a month plus 2 bighas of land (Servant pays rent & casual dues for 2 Bighas.)

<i>No. of cases enquired</i>	<i>Nature of work</i>	<i>Daily Cash Wages for</i>	
		<i>Men</i>	<i>Women</i>
	Unspecified Casual Work	-/12/-	
	Field Work—1, 2 3	-/12/-	
	Digging Earth	1/8/-	
	Transplantation	-/12/-	-/8/-
	Ploughing		
	Paddy husking		
	Kamia	0/8/- to 1	
	Ploughing		
	Transplantation		
	Harvesting		
	Thatcher	Re. 1/-	
	Kabadiya		
	Permanent Farm Servant		

HAR

<i>Daily Wages in kind</i> <i>for</i> <i>Men</i> <i>Women</i>	<i>Cash equivalent for</i> <i>Wages in kind</i>	<i>Monthly or Annual</i> <i>salary paid to</i> <i>permanent servant</i>
3 Seers of food-grains ($1\frac{1}{2}$ to 2 paddy) + $1/16$ to $\frac{1}{2}$ seer sathu.		
3 pailas of paddy + Breakfast 3 to 4 pailas of paddy & Breakfast.	-/8/- -/10/-	
Food + Re. 1		
2 $\frac{1}{2}$ pucca seers of foodgrains + 1 Bigha for maintenance.		
2 Meals + Re.-/8/-		
3 seers of foodgrains + Kathas of land + some cloth sometimes.		
5 seers for 65 seers of paddy husked (in a day 10 seers earned).		
3 Seers		
3 Seers		
Food + Re. 1 Food + As. 8		
1 bundle for every 16 bundles harvested.		
1 + 1 Seer Food-grains + Breakfast		
		5 to 6 kathas (in exceptional cases 10 kathas or 1 to $1\frac{1}{2}$ bighas) of land of which produce $\frac{1}{2}$ he gives to landlord).

No. of Cases enquired	Nature of work	Daily Cash Wages for	
		Men	Women
	Agricultural Labourer		
	Unspecified Casual Work	1, 1/4/- to 1/8/-	-/10/-
	Ploughing	2 to 2/8/-	
	Transplantation.—		
	1.		
	2.		
	3.		
	4.		
	5.		
	Transplantation, Weeding and Harvesting	1	-/10/-
	Transplanting & Harvesting	1	-/12/-
	Harvesting—1		
	„ 2		
	(B) Farm Servant, Waramdars, and Panneyals.—		
	1. Farm Servants		
	2.		
	3. (Malabar)	1/- + 1 Meal (1)	As. 8/- + One Meal
	Waramdar		
	Pannais or Panneyals.—		
	1.		
	2.		
	3.		
	4.		
	Labourers with Tobacco grower		

(1) Pre-war rate Re. -/8/- to -/10/-.

(2) Pre-war rate Rs. 12/- a year & 3 measures and 3 meals.

RAS

<i>Daily Wages in kind for</i>		<i>Cash equivalent for Wages in kind</i>	<i>Monthly or Annual salary paid to permanent servant</i>
<i>Men</i>	<i>Women</i>		
-/8/- + One Meal	-/5/- to -/6/- + One Meal		
3½ M. M. (Madras Measures)	2½ M.M.		
As. 8 to 10 + 2 meals (3)			
2½ M. M. + 2 meals.			
1½ seers cholam			
4 Seers paddy thro ration card.		Rs. 1/5/-	
5 seers of paddy		Rs. 1/4/-	
5 M. M. paddy	2 M.M. paddy		
2 M. M. with 1 meal (12 hrs. work)			
			248 M.M. of paddy a month or Rs. 18/- p.m. with breakfast Kanji and a mid-day meal each, Kanji costs Re. -/3,- and meal consists of rice, water with salt and pickles.
			Rs. 120/- a year, 3 meals and 30 M.M. of paddy (on occasions 2 pairs of vesties and no clothes for women).
1 M.M.			
1 M.M. (At Waramdar's place—2 M. M. at (*) places for harvesting and transplanting.			
1 M.M. transplanting.			
1 M.M. for Mirasdar			
2 M.M. at other places.			
1½ M. M. for Harvesting.			Rs. 200 a year and three meals a day.

(3) Pre-war rate 3 M.M. and 2 meals.]

(4) Wages earned by Panneyals at other places than those of Mirasdars are double—the rates paid by Mirasdars

CHAPTER VII

Stabilisation of Agricultural Prices and Crop Insurance

102. One of the aims of all agrarian reforms should be to increase the agricultural production of the country to its optimum potential. This, however, carries an implication of an economy of abundance and surplus production. The supply may exceed the effective demand with a consequent fall of price. This makes it imperative on the part of the State, in the interest of maximising the incentive of the producer, to arrange for a guarantee of minimum floor price for agricultural produce. This guarantee should not only offer stability of agricultural prices and incomes but also establish a reasonable parity between the agricultural and industrial incomes.

In our scheme the assessment of land will vary with the prices. Thus one important item of cost of cultivation, which has so long been a fixed charge under our scheme of agrarian reforms would fluctuate with the prices and thus the agriculturist would be greatly relieved who under the previous arrangements had to pay this fixed charge in spite of fall of prices as well as his income. Yet there would be a good number of fixed charges entering into cost of cultivation. Stability of agricultural prices is essential to meet these fixed obligations.

In the last economic depression when agricultural prices came down crashing, such institutions as co-operative credit societies built up in course of years came to brief in as many weeks. To stabilise the agrarian reforms which we have recommended earlier there should be stabilisation of agricultural prices.

While guaranteeing a minimum fair price to the agriculturists, care should be taken that the benefits of price support reach in due proportion to all the interests attached to agriculture, particularly agricultural labourers. It is equally necessary that the interest of the consumers are protected by stopping rise of price beyond a certain ceiling. In short the scheme of price stabilisation should operate in the interests of the producer as well as the consumer.

A policy of price support is already in force in many countries such as the U. S. A., Canada and United Kingdom. Besides, organisation of such international bodies like the F. A. O., I. T. O., and commodity commissions will help stabilisation of agricultural prices on an international scale.

103. **Some fundamental considerations.**—Earlier we have noted some considerations for stabilisation of agricultural prices. There are also some fundamental reasons why and in what manner such price stabilisation should be immediately brought about.

Price is determined by utility and cost. In some commodities price is determined predominantly by the one or the other factor. In case of agriculture, as the agricultural producers are generally lacking in organisation, price of agricultural products is determined not so much by cost of production as by the consideration of utility.

Besides, cost of production in agriculture includes a number of items whose money-value cannot be easily computed. Of course, organisation of agriculture on larger units and introduction of cost-accounting may obviate this difficulty.

104. Regional Self-Sufficiency and Fair Price.—According to some of us with a certain political and economic ideology, fair price of agricultural product, in the absence of an exact computation of the outgoings of agricultural production today, could have been fixed by organising agriculture on a regionally self-sufficient basis and by establishing the price mechanism on barter through a multi-purpose co-operative, controlling marketing and exchange operations—internal as well as external, of the region.

105. Recommendations of Krishnamachari Committee.—But according to the agrarian pattern recommended earlier in the report, quite a large number of cultivators will have marketable surplus and planning of agriculture would be on the basis of the needs and requirements of the nation and the whole country and such planning will not be restricted to a village or a group of villages, but would even extend beyond the frontiers of provinces. Therefore, such method of price determination on the basis of barter through multi-purpose co-operatives cannot readily be made to fit in with our recommendations in earlier chapters without other fundamental changes in the agrarian as well as national economy being brought about. Under these limitations we accept for the present the method of determination of fair price of agricultural products recommended by the Krishnamachari Committee.

106. Computation of Fair Price.—A fair price should assure the agricultural producer an income sufficient to maintain him and his family at a standard of living equivalent to that enjoyed by comparable classes of population. Due allowance, therefore, should be made for the cost of such goods and services as make up a reasonable standard of living for the cultivating class. The fair price should also enable the cultivator to pay minimum wages to agricultural labourers, which we recommend elsewhere and payment of premium for crop and cattle insurance.

The cost of cultivation varies according to soil and climatic conditions, crops produced and size of holdings and several other factors. They could only be estimated by detailed and continuous enquiries specially planned and conducted for the purpose. Such enquiries, we feel, should be immediately undertaken by the Central Government irrespective of expenses involved in such enquiries. Of course, Wage Boards which we have recommended

elsewhere would go a great way in the revision of the cost of cultivation figures once arrived at by the first set of enquiries.

Until such data are available we shall have to proceed on a less scientific basis and maintain agricultural price at reasonable parity with agricultural costs. The most appropriate way of arriving at such a parity is to proceed on the basis of cost price structure during a particular period in the past which has been accepted to be fair to all interests concerned. Adjustments, however, should be made in the light of changes in the basic factors affecting the costs of production and costs of living. According to the Krishnamachari Committee the most suitable period in the past for use as a base period for purposes of parity is the quinquennium 1924-25 to 1928-29, and it suggests the fair price should be fixed between a range of prices—the minimum and the maximum price to be determined in relation to existing economic condition.

107. We do feel that the question of combating a general economic depression is beyond the purview of this committee and should be tackled by suitable fiscal monetary measures. But if the fall of prices of agricultural commodities is more than that of prices of industrial and other goods entering into the cost of cultivation and cost of living of the cultivators the state should see that: (1) prices do not fall below the minimum cost of cultivation—including the cost of his and his family's budget and (2) the relation of agricultural prices with industrial prices remain at a parity which is fair to agricultural producers.

We, however, feel that under no circumstances production should be restricted so long as there are unsatisfied needs.

108. **Enforcement of Fair Price.**—Regarding the method of enforcement of fair price of agricultural products various methods have been suggested. Earlier we have referred to the scheme of price support of agricultural products by the State in countries like the U. S. A., Great Britain, etc. American thinkers seem to lay the greatest emphasis on minimising interference with free price mechanism while assuring fair income to the agriculturists. According to them, parity prices have the disadvantage of stereotyping conditions and patterns prevalent at some historical period. They also prevent the reflection of current consumers' choice and changed economic conditions. Therefore, a scheme of forward pricing is recommended with compensatory payments whenever market prices fall below forward prices.

We, however, feel that the method of enforcing fair price of agricultural products adumbrated by the Krishnamachari Committee has the advantage of guaranteeing the interest of the producer as well as the consumer. This scheme operates not only to assure the minimum floor price in times of depression to the agriculturists but also checks prices from soaring beyond a ceiling in times of scarcity.

In order to enforce the fair price at the minimum level the state should regulate foreign trade (specially imports) by means of tariffs, quotas and state trading. Any international commitments undertaken by the Government of India in future should be consistent with the requirements of price policy.

In order to maintain market prices within the range set by the minimum and the maximum, the state should be in a position to influence supply in the market by withdrawing a part of the supply through its purchase and by adding to its sales as may be necessary. In our Chapter on Marketing we have recommended building of state-subsidized ware-houses at nuclear points throughout the country. This net-work of ware-houses would greatly facilitate the programme of stabilising agricultural prices through state purchase and storage of agricultural commodities.

The Krishnamachari Committee has recommended a suitable administrative and executive machinery in order to carry out the three-fold functions involved, viz., (i) formulation and laying down of the policy to be adopted ; (ii) determination of minimum and maximum prices and (iii) enforcement of prices fixed. For this purpose there should be a representative all-India Agricultural Prices Council, Price Determination Commission and a Commodity Corporation.

109. Crop Insurance.—While the guarantee of fair price will assure fair income to the agriculturist in times of depression, there should be some device by which the cultivators could be protected against the hazards of draught, floods, hail, fire, excessive rainfall, winds, plant diseases and insect pests. This is possible only through a scheme of state-subsidized 'crop insurance. While the incidence of risks due to death, fire and other accidents lends itself to actuarial measurement, in agriculture where nature plays a prominent part, such calculation is not possible. This is why crop insurance has not been taken up by ordinary insurance companies. There is also not sufficient data on the basis of which such schemes may be formulated. We are aware and welcome the step taken by the Government of India in appointing a Special Officer to prepare a scheme for pilot experiments in crop insurance in some specially selected areas.

As an item of "New Deal" programme, the late President Roosevelt inaugurated a bold and far-reaching programme of crop-insurance in America under the auspices of the Federal Government. A corporation designated the Federal Crop Insurance Corporation was created under the Agricultural Adjustments Act of 1938 with a capital of 100 million dollars subsidized by the Government. The Corporation was practically part of the United States Department of Agriculture. The Government undertook to meet the administrative expenses of the corporation for the first few years, estimated at 5 million dollars per annum. The net cost of the insurance alone was to be borne by the farmer. The insured farmer was protected

against loss in yield below 75 to 50 % of his average yield. The loss in yield caused by any negligence of the farmer or for any defective method used in agriculture was not covered by the scheme of insurance. The premium had to be paid in advance of seeding and could be paid in wheat or in cash equivalent based on the current price, the rate varying from farm to farm.

Crop insurance in some shape or form has been taken up in Greece, Germany, France, Bulgaria, Denmark, Switzerland, Spain, Italy and Canada. Everywhere the Government have subsidized heavily such schemes of crop insurance.

The Co-operative Planning Committee of the Government of India makes the following comment on the possibilities of crop insurance : " Crop insurance in India in the present circumstances, appears, in our opinion, beyond the scope of private agencies or co-operative organisations, firstly, because of the lack of reliable statistical data and secondly because of the inability of the peasantry to bear the incidence of its cost. At the same time we believe that some scheme will have to be devised in course of time to protect agricultural classes."

We recommend that a scheme of crop insurance should be undertaken experimentally by the State. The nature, size and scope of each experiment should be determined by specially trained experts. The funds required for these experiments should be estimated in consultation with agricultural and actuarial experts provided by the Central Government.

CHAPTER VIII

Agricultural Improvements

In this chapter we briefly discuss some of those methods of extensive and intensive cultivation by which the supply of land can be increased. In order to augment the *per capita* income of the agricultural population either new land should be brought under the plough or the yield per acre increased.

110. Land Reclamation.—According to table No. 1 in Estimates of Area and Yield of Principal Crops in India issued by the Economic and Statistical Adviser of the Ministry of Agriculture, Government of India, the classification of area is:

<i>Classification</i>	<i>Average 1936-37 to 1938-39</i>	<i>1945-46</i>
	<i>(in thousand Acres)</i>	
1. Area according to village papers	401,860	403,044
2. Area under forests	62,426	62,491
3. Area not available for cultivation	63,256	62,413
4. Other uncultivated land excluding current fallows	68,805	68,556
5. Fallow land	36,008	37,937
6. Net area sown	171,365	170,806
7. Irrigated area	35,395	39,228
8. Area sown more than once	26,781	29,394

From the above it is clear that quite a large area has yet to be brought under the plough. According to the Foodgrains Policy Committee's Final Report, the country must aim at increasing the production of foodgrains annually by ten million tons within the shortest possible time. Out of these 10 million tons, 4 million tons could be raised from the areas to be irrigated by the multi-purpose projects which would begin to operate within a period of 10 to 15 years. 3 million tons could be raised within the next five years through intensive cultivation, better manuring, use of improved seeds, etc. The balance of 3 million tons, according to the Committee, should come from the culturable waste lands to be reclaimed within a certain period.

Reclamation of waste lands should require (1) rapid survey of these areas, (2) selection of large and compact blocks of land which would be suitable for raising of foodgrains, namely, rice and wheat, at a reasonable expenditure of initial capital, and (3) reclamation of these areas through heavy tractor ploughing so that they may come under normal cultivation in future.

The Committee recommends the creation of a Central Land Reclamation Organisation for the purpose of reclaiming sufficient area of cultivable waste lands including old fallows, weed infested lands. The appendices E and F

of the Report include statements showing the cost of reclaiming 2 million acres of new land and 1 million acres of fallow.

Dr. V. K. R. V. Rao, in his minute of dissent to the report of the Food-grains Policy Committee puts forward the following objections to reclamation of hitherto uncultivated land :

- (i) It is very costly,
- (ii) It involves large expenditure of foreign exchange, specially dollar resources,
- (iii) It requires large volumes of imported equipment and other materials, which are in very short supply,
- (iv) It requires large quantities of domestic supply of equipment materials and labour which are in short supply and which are most unlikely to be obtained within the next five years.
- (v) Much of this land may have to be put under mechanical cultivation which will further add to our need for imports and increase the country's dependence on foreign materials which are in short supply.

According to Dr. Rao, all reclamation operations for the next five years should be confined to deep ploughing of weed and *kans* infested lands and should not take the form of reclaiming hitherto uncultivated land, except to the extent that such operations may be undertaken for experimental purposes and for working out in greater detail both the mechanics and the economics of such reclamation.

While the reclamation of waste lands is necessary to maximise agricultural production, specially the production of food in the present context of scarcity, we feel that reclamation of waste lands is necessary also for settling landless labourers. In an earlier chapter we have recommended that cultivable waste lands should be used for the purpose of State farming for research and collective farming for settling agricultural labourers. If land reclamation operations, as suggested by Dr. V. K. R. V. Rao, are restricted to reclamation of weed and *kans* infested areas, it will be difficult to settle these landless labourers because these weed and *kans* infested areas are parts of holdings of other persons. Of course the contention of Dr. Rao, specially for economising the cost of such reclamation as well as the use of materials which are in short supply, has got great force. Yet the sociological significance of such operations should not be lost sight of. We, therefore, feel that land reclamation should be so planned that the two objectives, viz. maximisation of agricultural production with the least cost and the satisfaction of the passion of the landless population for being settled in land, may be fulfilled within the shortest possible time. We also do not favour the present policy of provincial governments of settling reclaimed waste lands individually on the basis of 10 acre holdings. As stated earlier, they should be reserved for State farming and collective farming.

The Foodgrains Policy Committee's Report has suggested the creation of a special machinery, viz. Central Land Reclamation Organisation. According to us, land reclamation should be done under the auspices of the Land Commission and should be supervised by a Board of Experts attached to the Commission. In the course of our tours we visited some experiments in Land Reclamation. We are struck by the lack of planning in such reclamation operations. There have been no adequate efforts to survey the soil, or for maintaining the agronomic balance. In the note attached to Chapter III on Co-operative Farming we have examined these shortcomings in detail. We, therefore, feel that land reclamation should be done on a planned basis, specially from the point of view of maintaining agronomic balance. Land reclamation should under no circumstances interfere with the fuel and fodder reserves necessary for the agricultural population.

111. Soil Conservation.—Soil conservation is of special importance in areas of heavy rainfall and where cultivation is carried on in slopes and undulating lands, protection of soil from erosion and exhaustion becomes supremely important. Surface soil is often washed away, gullies form and plant foods are lost.

Various practices are adopted to conserve the soil. According to "*Our American Land*", U.S. State Department of Agriculture, Soil Conservation Service, M.P. 596, the following methods may be adopted :

- (a) Contouring—Farming on the contour with curved furrows to catch rainfall ;
- (b) Contour furrowing—Ploughing furrows to hold rainfall ;
- (c) Contour subsoiling—Breaking up more subsoil so that it can absorb more rainfall ;
- (d) Terracing—Building ridges or embankments ;
- (e) Diversion Channels ;
- (f) Strip cropping—Planting strips of close-growing plants which has the effect of holding water and thus keeping the cultivated strip below from eroding ;
- (g) Stubble-mulching—The stubbles are left without being ploughed or burnt. Mulching protects the soil from erosion and backing and helps the soil to take more rainfall ;
- (h) Crop rotations—By growing legumes which supply nitrogen for plant food ;
- (i) Cover crops—With a view to protect the land from wind and water erosion ;
- (j) Fertilising land—By manure or fertilisers ;
- (k) Drainage—For removal of excess water from wet lands ;
- (l) Protection of water disposal outlets with grasses ;

- (m) Pasture development—By growing grasses certain lands could be prevented from being eroded. In such cases the land may have to be fertilised, drained, irrigated and fenced for grazing control ;
- (n) Gully Control—This reduces the rate of water flow within gullies. This may be done by using grass and shrubs and by dams for catching silt ;
- (o) Wood land harvesting—Cuttings of timber on sound forestry lines help to increase the yield ;
- (p) Pond management—The object being to protect pond from erosion and siltration and to increase production of fish and pond wild life.

Dr. Schuhart, the soil conservation expert of the United States State Department made a preliminary examination of soil and water conservation in India and submitted a report to the Government of India. The contour bunding in the Bijapur District of the Bombay Province has been highly praised by Dr. Schuhart.

The following extract from the report may be of interest :—

“ The contour bunding, while not perfect in several respects, is the finest example of good erosion control work that has been observed anywhere in India on sloping cultivated fields . . . The effectiveness of these contour bunds when supplemented by contour farming, strip cropping, crop rotation, the use of cover crops and green manure crops will do as fine a job of conserving the soil on upland cultivated fields as can be done where such highly erosive sloping lands must be cultivated. The pasture improvement work consisting of contour furrows and deferred grazing is highly recommended. The improvement measures on these pastures are agreed to by the villagers because trees, which are urgently needed for fuel, are planted on the contour furrows. To protect the tree growth, livestock are permitted to graze these pastures. This gives the grass a chance to recover while the trees are getting big enough to protect themselves.

“ With some modification dictated by rainfall, erosiveness of soil and other local factors, the soil and water conservation programme as started at Bijapur could well be expanded to all of India. Improvements in this work should constantly be looked for so that after a few years errors which now may be found will completely disappear.”

112. Proposals of Dr. Schuhart.—The following are the recommendations of Dr. Schuhart regarding soil conservation.:

1. “ Village forests should avoid competition with agriculture. Agriculture, on the other hand, should not be permitted to extend into submarginal agricultural lands where forestry is definitely the better land use.”

2. There should be a soil erosion survey.

3. Soil erosion law should be made part of the constitution as it would show that "the protection of the base and the source of livelihood, health and happiness of the people was given national recognition".

4. There should be demonstration areas. How the demonstrations were worked out in the U.S.A., are explained in the report of Dr. Schuhart which is extracted below :

"Individual farms were taken as units. The soil surveyor first made a detail soil and erosion survey of a farm showing all land uses existing on that farm. The agricultural engineer studied the needs of the farm for terraces or bunds and decided on the location of vegetated outlet for excess water, selected the site for a farm pond and considered any other engineering feature of the programme on that specific farm. The agronomist, in co-operation with the farmer himself, decided on what crops should be grown, what rotations should be followed, what methods of cultivation should be used, what cover crops and soil building crops were desirable and considered any other agronomic problem which the farmer might have. The forester studied the wood lands on the farm and determined their condition, their possibilities of development and their proper silvicultural management. The range manager computed the available forage on the pastures. He considered means of improving pastures and then in co-operation with the agronomist, planned to supplement the pasture feed with fodder, silage or hay crops grown in rotation with other crops, and brought about a balance between the number of livestock which the farmer had and the feed necessary for their maintenance during the entire year. The biologist studied the waste lands which were too steep and erodable to be pastured or cultivated or which were not suitable for wood lands. These areas were selected and dedicated to wild life production.

"The objective of the programme of soil and water conservation was to keep all the rain-water that fell on the land as near the place at which it fell as was possible to do and then to conduct excess rain-water into a farm pond which could be used for fish production, for stocking water and in some instances for the irrigation of farm gardens or to discharge it where it would do the least possible damage. All of these plans were worked out with the farmer himself.

"After the plan was completed it was presented to the farmer for his approval . . . After the agreement was accepted, the various technicians set about putting the programme into operation."

In India the basic unit of planning should be the farm village as the family holding is too small for the purpose. As regards the mode of planning Dr. Schuhart says :

"A village has exactly the same needs as an individual family. For example, they need fuel and the villagers should know how much is required

to furnish their needs. In a soil and water conservation programme, it would be the duty of the foresters to determine the acreage and the number and types of trees needed which would eventually supply the village requirements. It would be the duty of the agronomists to work with the villagers on their agronomic problems such as increasing soil fertility through crop rotation, green manure crops and the use of fertilisers.

“ And so with other features of the programme the technicians should work with the villagers and the village leaders to meet the specific needs of the village for food, for livestock feed, for fuel and for the production of cash crops and cash products to maintain the purchasing power of the people of the village.

“ Admittedly this will be a more difficult task than the task of working on an individual farm in United States, but the problem of erosion concerns every villager and if properly instructed by means of demonstrations, the villagers can be shown how best to use their soils and yet perpetuate them for the use of their posterity as well.”

113. Use of Improved Seeds and Manures.—According to Dr. Burns in “ Technological Possibilities of Agricultural Development in India ”, the average out-turn of paddy could be increased by 30%, viz. 5% by using improved varieties, 20% by increasing manure, 5% by protecting from pests and diseases. Even there may be no difficulty in increasing the present average out-turn by 50%, viz. 10% by variety and 40% by manuring. Dr. Burns made similar estimates for wheat and jowar, bajra, maize, gram, pulses, ground-nuts, sugarcane, etc.

The following table gives the latest position of the areas under principal food crops under improved varieties of seeds :

Crop	Area under improved seeds	
	Estimated area under improved seed (in millions of acres in 1938-1939)	Estimated percentage of area under improved varieties in 1938-39 for rice, wheat, jowar, ground-nuts and gram
Rices	4.5	6.2
Wheat	7.9	22.4
Jowar	0.6*	1.1*
Ground-nuts	0.6	6.7
Gram	0.2	1.6

* Figures for all millets (jowar, bajra and ragi) but mainly jowar.

According to the Foodgrains Policy Committee the seeds distributed under the subsidized seeds distribution programme under the “ Grow More Food Campaign ” were often ordinary seeds purchased by the Government from the open market at a premium and resold to the producers on a subsidized

basis. Apart from wasteful expenditure such practices harm the cause of improved agriculture by shaking the confidence of the agriculturist in the use of improved variety of seeds.

We, therefore, recommend that large-scale efforts should be made to produce pedigree seeds by multiplying registered seed growers and by culsting the co-operation of post-basic schools which, according to our suggestion, might be used as growers of improved variety of seeds. The distribution of these pedigree seeds should be through the multi-purpose co-operatives. The multi-purpose co-operatives are being used at present in some provinces as the distributing agency. But as they are controlled by substantial peasants, full benefit of such distribution does not accrue to the smaller peasantry. We heard of many malpractices specially black-marketing. Earlier we have recommended reorganisation of multi-purpose co-operatives which would be flanked by co-operative joint farms of small peasants and we are confident that under such reorganisation these malpractices would be greatly minimised.

114. Manures.—Farmyard manure, village and town compost manure, oil-cakes, ammonium sulphate, and bone meal are the principal organic and inorganic manures which have been tried on small scale in India. The main deficiency in Indian soils is that of nitrogen and if inorganic manures like ammonium sulphate are used, there should be a combination of nitrogen and phosphatic manures.

(a) *Green Manure*: According to the Foodgrains Policy Committee's Report, the main difficulties in the extension of green manuring are the non-availability of adequate quantities of seed and investing ploughs. Green manuring is required once in three years and even in the year of manuring second crop can be grown with advantage.

(b) *Farmyard Manure*: On the basis of the present cattle population the total quantity of farmyard manure is estimated at 800 million tons green weight and 160 millions dry weight, capable of giving 8 lakh tons of nitrogen per year. Of these about 20% is wasted on the farm, 40% is used as manure and 40% as fuel.

So that the bulk of the farmyard manure may be used in cultivation steps should be taken to provide equally cheap and handy alternate supply of fuel to the rural population. Quick growing trees may be planted on the boundary walls of the fields and other available space in the village. This might also work as an anti-erosion measure.

(c) *Night soil—Village and Town Compost*: Of course there is considerable scope for expanding the work of compost making out of night soil in conjunction with wastes and refuse in villages and towns. The limiting factor, however, would be the unwillingness of the producer to use it. We have discussed this question also in chapter on Rural Welfare.

(d) *Oil-Cakes*: The total production of oil-cakes is estimated at 17½ lakh tons of which 2½ lakh tons are castor cake and the balance of 15 lakh tons

are used for cattle feed and manure. It is not exactly known how much is used for cattle feed and how much for manuring purposes.

(e) *Bone Meal*: On the basis of the present cattle population, the quantity of bone meal is estimated at 1 million tons a year. The experts are of the view that a combination of bone meal with ammonium sulphate will be highly beneficial for agricultural production.

(f) *Ammonium Sulphate*: Before the war, India imported 80,000 tons of ammonium sulphate, which, together with the internal production of 20,000 tons would give a supply of one lakh tons. Out of this supply sixty to seventy thousand tons were used for cash crops such as tea, coffee, sugarcane, potato and other vegetable crops and the balance was used for paddy.

The Sindri Fertiliser Factory is designed to produce annually 3,50,000 tons of ammonium sulphate and is expected to start working by the beginning of 1950. When the Foodgrains Policy Committee reported (1948 April), the total imports of fertilisers were about 1,50,000 tons a year and production inside the country was 50,000 tons. So, after the completion of the Sindri project, the Government would have a total supply of 5,50,000 tons to 6,00,000 tons a year. According to the estimate of the Foodgrains Policy Committee, for effective manuring of the existing irrigated lands under food crops a minimum of a million tons of fertilisers would be required annually. Thus, even after the Sindri Fertiliser Factory comes into full operation, the country would be deficit by about 40,000 tons a year.

Soil Analysis: Because of the experience of Japan in the use of artificial fertilisers, expectations have been raised about the value of ammonium sulphate in increasing the yield of paddy. The final report of the Famine Enquiry Commission makes the following comments on the use of the artificial fertilisers :

“ Little information is available as to the most suitable time for the application of the fertilisers, about the correct proportions of nitrogen, phosphorus and potassium for different soils and crops and the proportion in which organic manure should be used along with fertilisers. In fact considerably more research and experiment are required in regard to the use of the fertilisers before the Agricultural Departments will be in a position to give full and satisfactory advice as regards their use.”

The Famine Commission also makes some more constructive suggestions. “ The price for fertilisers should be within the reach of the cultivators. Fertiliser prices should be regulated in relation to the price of paddy. Unless the price of fertilisers is reduced in periods of falling prices of paddy, due to inadequate manuring, soil will get depleted and its yield would be lessened. Subsidy on account of manuring should be judiciously administered because the policy should not increase unnecessarily the profits of the concerns manufacturing fertilisers. Such concerns should be run with utmost economy and least profit.”

115. Double Cropping and Subsistence Farming.—The *per capita* income of the agricultural population can be increased by producing more than one crop. Out of 170 million acres (net area sown) only 29.3 million acres are sown more than once. In Italy there are areas where more than two crops are raised. But unfortunately 80% of the double cropped area is unirrigated. A very large area is left fallow which means that the whole area is not cultivated even once a year. Akin to double cropping is the mixed cropping which is common in dry areas. Maize with urd, bajra with moth, wheat with barley, wheat and gram are some of the combinations. Pepper, methi or carrot can be grown in cotton before the latter is picked up and berseem in price fields before harvesting the latter.

116. Irrigation.—Out of 170 million acres sown 39.2 million acres, or roughly 20% of the sown area is irrigated. An equal percentage of area is under good rainfall. Therefore the question of providing immediate irrigation facility concerns about 60% of the sown area, leaving aside the area which would be reclaimed. The multi-purpose projects would begin to operate not before 10 years. So there should be concentration of efforts on minor irrigation works like sinking of wells, tanks and tube wells. Before construction of these works, a systematic survey of the areas is necessary. Power lifts of small capacity may be devised and placed at the disposal of the village co-operatives. For areas without irrigation facilities draught-resisting varieties of crops should be evolved. To economise the use of water spray irrigation through suitable machines should be popularised.

117. Improved Implements.—As for years to come one important objective in agricultural planning should be to offer full employment to the man power and bullock power engaged in agriculture, we do not favour, in general, mechanisation of agricultural operations. Of course, there should be every effort to improve the implements used in agriculture. We have also made it clear that on culturable waste lands in State and collective farms experiments in mechanised large-scale farming should be undertaken to find out the economics of such farming. In other areas, increased yield should be the result of the use of better seeds and manures and not of any large-scale mechanisation. While big machines worked by power may displace labour in agriculture, the existing labour-wasting methods should be replaced by hand machines in some operations. There should be continuous research to carry out such improvements. In some of the research farms visited by us we found that the improvements which are carried out are beyond the capacity of the small farms and agriculturists. Such improvements as inverting ploughs for green manuring which can be easily drawn by bullocks of an average size, seed drills and hand-operated fans for winnowing may be useful for small peasants.

While the improvements should be planned and devised in the Research Stations there should be workshops at nuclear points to turn out these im-

proved implements at cheap rates. For this purpose such village artisans as blacksmiths, carpenters, leather workers may be given a short course of training and employed in the regional workshops supervised by properly equipped foremen.

118. Technical Advice.—In an earlier chapter we had occasion to observe that the Research carried on in the State farms have not produced the expected results due to absence of properly organised extension service. The researches should be demonstrated by a specially trained servicing section of the research organisation which may work under the Land Commission, and demonstrations should be, as far as possible, on the holdings of the agriculturists.

119. Agronomic Balance.—One of the fundamentals of a balanced agrarian economy is to provide for 20 to 25% of ever green. This can be done through a well-planned policy of afforestation and re-forestation.

Earlier in this chapter we have shown the area under forests. Forests may be generally classed under two heads—State Forests and Village Forests.

According to our scheme the village forests would pass under the control of the village panchayat. Care should be taken to develop the village forests with the technical assistance made available through an appropriate authority under the Land Commission. The village forests must provide cheap fuel, materials for green manuring and for agricultural implements to the local peasants.

State forests should not be run on a revenue based policy. They should also be properly developed through afforestation and re-forestation and should be of use to the agricultural population. Suitable agro-industries should be organised for the maximum utilisation of the forest wealth of the country.

120. Pasture and Fodder.—It is common knowledge that the cattle population of India has got a poor physique and, like human population, requires a balanced diet. Shri. S. K. Talapatra, Physiological Chemist of the Government of Assam, in his deposition before the Committee maintained that green grass contains a high percentage of water and the cattle fed on this fodder cannot get adequate nutrition. He referred to his researches on aquatic indigenous grasses and another variety of highland grass which might make up the deficiencies in the food of the cattle population. We feel that such researches should be encouraged and balanced cultivation* should also aim at providing a balanced diet to the cattle population.

121. Crop Planning.—In an earlier chapter we have referred to the control under which agricultural operations will have to be carried on in the interest of crop planning. Such crop planning should be based on the census of requirements of the total population of the country, human as well as bovine,

* See note on Balanced Cultivation.

on the basis of a balanced diet, and requirements of an adequate standard of living. Shri. R. K. Nigam made detailed calculations on the basis of 1951 population figures of the Indian Union. The calculations are appended to this report. After the census of requirements of every village, region, district, and the province and the country, there must be a crop plan so that the country may be self-sufficient within a certain period.

In our chapter on Machinery of Land Management we have recommended that the crop plan should be operated by the Central Land Commission. But the plan should be evolved on the basis of a centralised-cum-decentralised planning. In other words the productive capacity and the requirements of each zone and that of the whole country should be properly integrated. In the context of a scarcity of food there should be priority of food crops over cash crops. Under the Bombay Growth of Food Crops Act, 1944, Bombay Government have taken power to prescribe the maximum proportion of food crops and the minimum proportion of food crops to be grown. Where the proportion is contravened, the cultivator is punishable with a fine of Rs. 50 in relation to every acre or less.

We recommend that as far as normal times are concerned, reliance should be placed on fiscal-economic measures by offering inducements to achieve the ends of crop planning rather than by physical control. Ultimately, such regulation should be attained through social education.

As the objective of agricultural production is to provide a balanced diet to the people and as the supply of land may be inadequate for such a purpose in spite of intensive cultivation, it may be necessary to introduce in our agricultural production such high-yielding crops as sweet potatoes, tapioca and potatoes and to change the food habits of the people so that the use of land may be economised.

The Foodgrains Policy Committee, in its final report observes that as against the yield per acre of about 8 to 10 maunds in respect of wheat and rice, the yields per acre of potatoes and sweet potatoes are estimated at about 50 and 100 maunds per acre. In comparing these yields the fact must be taken into account that potatoes and sweet potatoes contain nearly 71 and 66% moisture as against about 10% moisture in rice and wheat. On dry matter basis, the yield per acre of potatoes, and sweet potatoes, therefore, works out at 12 maunds for potatoes and 33 maunds for sweet potatoes per acre. An additional factor for consideration is that while the principal cereal crops, particularly millets, are grown not only for grain but also fodder, potatoes and sweet potatoes have little value as fodder.

It has been suggested that the use of dry or dehydrated potatoes and sweet potatoes as an admixture with flour may afford considerable relief to the present food shortage. The proposal, however, is fraught with such practical

difficulties as quick deterioration of mixed flour of wheat and potatoes and sweet potatoes. Besides from the nutritional angle, this should not be encouraged, as such food with an abundance of carbo-hydrates, without an adequate complement of proteins and fats might make the population liable to anaemia, dysentery, diarrhoea, digestive troubles, nervous diseases, ulcers and skin-diseases. The report of the Agrarian Problem Enquiry Committee of the Cochin State* states that west of India and all over the land in the south seas, people consume quite a lot of sweet potatoes and tapioca and suffer from the diseases mentioned above. Though fish is readily available, yet the main deficiency in diet in this area is animal and vegetable proteins and vitamins, particularly Vitamin ' B '.

There has been a suggestion that groundnut cakes, which provide proteins, may be mixed with wheat flour for human consumption. Groundnut crop is comparatively easy to grow on light soils. It is a leguminous crop which might help land recoup its fertility and provide useful fodder. It is also a rotation crop. But unless we increase the total supply of groundnut cake, which is put at one million tons today and has a keen demand for manuring purposes as well as cattle feed, such admixture of groundnut cake with wheat flour for human consumption has not much practical possibility.

122. Consolidation of Holdings.—In an earlier chapter we referred to the question of consolidation of holdings by which the fields held by individuals or by co-operative joint farms could be made contiguous and it may be possible to pass from one to the other without traversing any land but his own. To bring about this feature by design, consolidation of holdings becomes essential.

The Punjab has been a pioneer in undertaking this important reform of eliminating fragmentation of holdings. In 1936, a Consolidation of Holdings Act was passed which provided a certain measure of compulsion. Operations, however, took time, as even in the Act, it was necessary to secure consent of the 2/3 of the landholders before effecting consolidation compulsorily. Inadequacy of trained staff had been another difficulty. Statutory provision for consolidation of holdings also existed in the Central Provinces and operations were completed in 2,476 villages in Chhatisgarh division. In the United Provinces, for a number of years, consolidation was encouraged through co-operative movement, but progress was very slow. In 1940 the Consolidation of Holdings Act was passed. On account of dearth of trained officers, consolidation efforts did not make much progress.

In January 1948, the Government of Bombay passed a Fragmentation and Consolidation of Holdings Act. The Act provides for the determination of the local area for the purpose of the operations of consolidation. The Pro-

vincial Government may, after such enquiry as it deems fit and after consultation with the District Advisory Committee appointed by it, provisionally settle for any class of land, in any local area, the minimum area that could be cultivated profitably as a separate plot. Such a plot is called a standard plot. No land in any local area shall be transferred or partitioned so as to create a fragment. The transfer or partition of any land contrary to the provisions of this Act shall be void and the owner of any land so transferred or partitioned shall be liable to pay such fine not exceeding Rs. 20 as the collector may, subject to the general orders of the Provincial Government, direct. The scheme prepared by the Consolidation Officer shall provide for the payment of compensation to any owner who is allotted a holding of less market value than that of his original holding and for the recovery of compensation from any owner who is allotted a holding of greater market value than that of his original holding.

We feel that consolidation of holdings would not make much headway if it is left to the work of co-operative societies or if it is to be achieved under an arrangement in which $\frac{2}{3}$ of landholders must agree before the consolidation could be done compulsorily. We, therefore, recommend that the method suggested by the Bombay Government Act should be adopted in other Provinces. Of course, quick and adequate arrangements should be made for training of the personnel for consolidation operations.

123. Tea and Coffee Plantations.—From the depositions of the various witnesses, specially in Assam and Bengal, we are convinced that there should be an immediate enquiry about the requirements of land of these plantations for the maintenance of their present production. All surplus land above their requirements should be resumed and should be put under production of food crops. Of course, the value of tea and coffee as dollar-earner may indicate increase of production and acreage under such plantations. Tea gardens and plantations should also be brought under the scheme of general assessment if they hold fee simple grants.

It has also been placed before us that so far as the production of tea and coffee is concerned it may be done by individual cultivators. Companies owning these plantations arrange only for manufacturing, grading, packing and labelling. As a matter of fact, in the U.P., in the tea estates, hereditary rights have been given to cultivators except to $\frac{1}{2}$ acre holders. We feel that the concerns should be taken over by the Land Commission on payment of reasonable compensation and the tillers should be brought into direct relation with the Land Commission. The operations which are being carried out by these companies today may be done by suitable co-operative concerns.

124. Animal Husbandry.—The motive power of our agrarian economy is the bullock. The cow is both the giver of milk and the supplier of this

motive power. Domestic animals form an integral part in the cycle of rural life in that they provide manure to feed the soil. The earth produces the plant, man eats the grain, the animal consumes the stalk and leaves, and both return to the soil valuable humus. If this cycle is broken at any stage it impoverishes life, both of man and beast.

Wherever we went we realised a lack of appreciation of these obvious facts in the condition of the animals which we found dwarfed and emaciated. There was no evidence of any serious attempt to maintain, and much less to breed up, the quality of cattle. Even where there has been a tradition of building up the quality of cattle (such as that of Sahiwal, Hariana, Kangayam, or Ongole) now there is a trend to export the best ones out of the country. The milk suppliers of cities like Bombay make irreparable inroads into the existing stock by disposing of their best milkers when dry to butchers. All city milkmen should be licensed and should be kept under a contract to report when the milk animals become dry. In the past few years, the meat requirements of the Military has depleted even the common stock of working animals. There is thus not sufficient animals to meet the requirements of the field and that of the agro-industries.

To meet the great shortage of draught cattle and milk cows which cannot be made good by normal methods immediately, we would suggest, as an emergency measure, that resort should be had to artificial insemination using well selected bulls and cows. It is calculated that artificial insemination increases fifty-fold the usefulness of the bull.

Wherever possible, while planning, to ensure fodder and pasture, 10 cents of wet lands should be reserved for every head of cattle used.

If agriculture is to be resuscitated and made capable of bearing the strain of a growing population, animal husbandry must be given its due share of attention. Our country was reputed to have the largest animal population of the world, estimated at about 33%, while it is probably the lowest in quality. Steps have to be taken to conserve, preserve and improve the stock.

Conservation: Care should be taken that the best animals are not slaughtered. For this purpose institutions should be started to take care of dry cows. Such institutions should be built up in places where fodder, pasture lands for exercising the animals and favourable climatic conditions and plenty of water are available. Good stud bulls have to be maintained at such centres and all scrub bulls should be castrated under law.

Preservation and Maintenance: Such veterinary service as exists are neither efficient in their working nor are adequate in supply. The equipment of the few dispensaries or hospitals is unsatisfactory. This is because the system followed is alien to the agricultural population and does not have their

confidence. In times past our animal physicians used local herbs and readily available materials. At present this old system would seem to be fast disappearing. The few scattered veterinary colleges are not adequate to train men to meet the needs of the countryside. This Department should function to keep both milk and draught cattle in fit condition and its services should be freely available.

Improvement: Great many cattle breeding centres have secured foreign bulls—Holstein, Jersey, etc. These have produced a hybrid class which soon loses the good qualities of both sides of the original stock. This crossbreeding is a short time policy. It has damaged the strains cultivated through centuries of careful breeding. Our attempt should be to breed up the local varieties. Though the work is laborious in operation and low in yielding results, yet it is the only sure method of meeting the requirements of the cultivators in a permanent way.

Dairying: Though, as has already been stated, our country possesses the largest number of cattle yet, taking the milk yield, it is amongst the poorest producers. In a country where the population is preponderantly vegetarian the needs of nutrition calls for a large consumption of animal proteins in the form of milk. Even in meat eating countries like U.K. and U.S.A. milk consumption *per capita* per day is 41 oz. and 36 oz. respectively, while in our country it is barely 5 oz. In the last year, Madras Government alone had spent about Rs. 2½ crores for the import of milk powder to prepare reconstituted milk for the public and the hospitals. This milk is said to be devoid of all vitamins and to have lost some of its nutritive value. Therefore, in the interest of the well-being of the people, it is incumbent to develop dairying as an industry.

CHAPTER IX

Agro-Industries

125. Introduction.—We have recommended that all holdings below the basic holding should be co-operativised. This programme is likely to release a large number of cultivators whose holdings have been extremely small. Man-power thus released as well as under-employed labour will have to be utilised in increasing production, and giving full employment to men and animals and utilising our natural resources. This can be done by harnessing this released and surplus labour to industries which will supplement the production of the field.

We have also recommended the organisation of multi-purpose co-operative societies in rural areas to help the economic life of the villagers. As far as practicable all the raw-materials available in the locality and the products of the field should be processed into consumer goods in the villages themselves. This can be done if we can organise small-scale and cottage industries through our multi-purpose co-operative societies.

126. Reorganisation of Agro-Industries.—A great many of the people who would be displaced on the implementation of these reforms from the land and the surplus labour force may be new to such industries; but, on the other hand, we may also find trained skilled labour in some industries. A survey should be made of all such available man-power and plans laid out to take them up and train them up in improved technique. Many of our cottage industries are still being operated on lines which have come down to us from ancient times and the articles produced are not calculated to meet the modern changing demand. Hence it will be necessary to carry on extensive research in such industries so as to enable them to play their role in the modern economic structure. Such researches as are necessary will be above the capacity of the man-power at our disposal. Therefore it will be necessary to arrange for this work to be done through some suitable agency under the supervision of the Land Commission.

The working of these industries should be regulated by the multi-purpose co-operative societies which would issue the raw-materials necessary to registered workers, take back the worked up material and, when such is turned into consumer goods, will put it on in the market. The co-operative society would also supply the necessary tools either for sale or on hire and guide and supervise the work generally. When the registered worker returns his product to the society he will be paid according to the prescribed rates of wages, either according to time or piece-work. Where necessary workshops should be provided by the society for the registered workers to carry on their occupation. Such workshops will be under the management of foremen who would themselves be experts on the line. In case of industries which produce for an

outside market, patterns and designs should also be supplied by the co-operative society according to the instructions of their Research Department.

127. Self-Sufficiency—Problems of Finance and Administration.—A good deal of the produce of these units will be intended to supply local needs. In fact only after the satisfaction of such needs will production for exchange be taken up.

The responsibility for finance will largely fall on the shoulders of the co-operative society which may be lightened by loans from Provincial Rural Finance Board and also by subsidies to such industries as are in the initial stages. Some essential industries such as night-soil manure making may have to be subsidized, more or less permanently, so as to fulfil certain requirements of the economic order we wish to build up.

Whenever there is a surplus, especially in certain lines which do not cater to the primary needs of the people, we recommend that the Government and the marketing union public bodies should obtain their requirements exclusively through the co-operative to the extent that the village co-operatives can supply. It should also be so arranged that these village multi-purpose co-operative societies will not have to submit tenders in competition with wholesale merchants through the usual store-purchase channel of the Government.

The planning of such industries should keep in view the transport problem which would mean that the planners should keep in mind the relative raw material and the product and the distance between the production centre and the market. Where necessary, the railway rates should be modified and concessions granted to enable such societies to work smoothly.

We have recommended that the products of such industries should be exempted from the imposition of terminal taxes, octroi duties, sales tax and other such burdens.

The administration of units connected with such production may be well entrusted to the supervision of the trained personnel of the Rural Economic Service we have already suggested.

128. Description of Some Agro-Industries.—We give below description of a few industries that can be well taken up under this programme :

The first in order will be the group connected with food processing, such as flour grinding, paddy husking, oil pressing, gur making, bee keeping, poultry farming, sheep rearing, fisheries, dairy farming and preservation of vegetables and other fruits.

Rice and flour mills which have been run by power have been instrumental in destroying nutritive value of such products of the farmer. Therefore, to retain the best of the farm produce, it is necessary to process agricultural

products by means which will retain full nutritive value. This is specially so when there is a large food shortage in our country. It is estimated that from 8 to 10% of the food values of these grains is lost by mill processing. Many of these industries can also employ women labour.

The implements for these industries requires to be improved. The manufacturing of such implements will provide ample employment to the village carpenter and blacksmith.

Oil pressing by village ghanis or kolhus has been a very widespread industry giving full time occupation to millions of telis. A great many of these have been thrown out of occupation largely because of their lack of capital. They have not been able to store oil seeds during season and have been obliged to buy back the oil seeds from towns to which merchants and sowkars had transported these at the time of harvest. Our multi-purpose co-operative societies can well step into this to perform this function and stock the seeds from the oil seeds producers and give it to the telis for crushing, and dispose of the oil to the consumers and the oil cake to the cattle-breeding centres for cattle-feed and to farmers for manure.

It would be possible to meet our present food shortage to some extent by inducing people to include a small percentage of oil cake in their food. Dieticians tell us that the protein contained in groundnut oil-cake is next only to milk as a human source of this factor of nutrition. Experiments show that when groundnuts are well cleaned and crushed, the oil-cake can be used as human food if such oil-cake is dried and ground into powder and mixed with about 20 times its quantity of wheat flour.

If we are to make gur from sugar-cane we shall have to place thousands of acres of highly fertile and irrigated lands under sugar-cane. About 40 lakh acres of land suitable for raising cereals is occupied by sugar-cane in India. 60% of this land is under irrigation, which means that sugar-cane thrives on fertile land, preferably irrigated. Dieticians consider that the present *per capita* consumption of gur and sugar, which is 26.5 lbs. ought to be increased to 46 lbs. This would involve a further increase of cane acreage to the tune of 30 lakh acres. To relieve the pressure on such lands as can well grow other cereals it would be better to obtain our gur requirements and sugar as far as possible from palm trees. Date palms and palmyrah trees largely grow on waste-lands and require hardly any nurturing. The existing number of palm trees is estimated in the neighbourhood of 5 crores. Of these about 1 crore may be considered as already being utilised for the present annual production of palm gur in Madras and Bengal and for the supply of toddy in the provinces where complete prohibition has not yet been introduced. From the remaining, about four crores of palms, it may be possible to produce about 17½ lakh tons of gur. Thus potential palm gur production can be an immediate remedy for relieving 6¾ lakh acres for producing more cereals without disturbing the supply of sugar and gur. Hence it would be best to promote this industry which is the positive aspect of a

programme of prohibition. The erstwhile toddy tappers could well be harnessed to palmyrah gur production and their women-folk will boil the juice into gur and where necessary convert it into sugar.

In many advanced countries bees are reared not only for the honey they store but in a large measure also for the cross-pollination of crops resulting from the activities of the honey bees. Such cross-pollination improves the crops ; this benefits the farmer. Honey is also a valuable food product, apart from being a useful agent in medicine. This industry is not a whole-time industry nor does it require much equipment. All that is needed is a little training in handling the bees and a study of their social habits.

Poultry farming will provide, apart from the meat and eggs, good manure for the fields from the droppings of the birds ; and in the cattle-shed, they are good nurses to save the animals from ticks and other insects that make their abode in the fur of domestic animals.

Sheep and goat rearing is doubly useful. They are a source of food, supplying flesh and milk ; their skins provide a useful type of leather, and the wool and the hairs will supply the materials for blankets and ropes.

In the village tanks properly cultured fishes of different kinds will not only keep the water of the tank clear and pure but will also prevent mosquito breeding as they eat up the larvae. In rice-eating areas certain amount of valuable animal protein required in a balanced diet is supplied by fish and eggs, and therefore, fisheries are a necessary part of village life where the population is largely rice-eating.

It is not necessary to go into the details of dairy farming in our country where the population is fully aware of the benefits of dairy products. The farmer's interest in the dairy, apart from the supply of milk, is the obtaining of his motive power—bullocks. In addition to male animals even dry cows are yoked to the plough in many parts of the country because of the scarcity of draught cattle.

The preservations of vegetables and other foods will provide good deal of occupation during the season for women and children.

129. Textile, etc.—The farmer can supply cotton, mulberry and castor leaves as also wool ; but these have to be converted into consumer goods. Cotton will have to be ginned, spun and woven to Khadi cloth, the wool similarly will have to be woven. Silk is obtained by rearing worms that live on the leaves of mulberry and castor plants. The cocoons spun by these worms will have to be reeled and thrown into silk thread which will in its turn have to be woven into wearing apparel. This gives employment to both skilled labour and an opportunity for the expression of village art. In addition to woollen articles, carpets and blanket-making will form another useful industry.

It is needless to say that the skins of the various animals will provide occupation for chamars and mochis and leather for the many requirements of the villager, for chappals, for motes, belting and other leather goods.

We have already mentioned the carpenter and the blacksmith. These artisans supply great many of the implements needed on the farm as well as shape many materials required in house building and in the household.

130. Forest Industries.—Where the villages are in the proximity of forests there are a great many industries that can be followed on the basis of raw materials available from the forest. Here we may state that the forest policy of the government should not be merely one calculated to bring in the largest amount of revenue. One of the chief functions of the forests is to provide raw materials for industries. This aspect has not been fully developed. The shortage of fuel indicates that the forests should be planted with quick growing plants to supply firewood and charcoal. It already supplies teak, and other wood necessary for houses and furniture. The collection of forest production itself will afford a profitable occupation to women and partly disabled persons.

Our country, especially Bihar and the Central Provinces, has almost a monopoly in the supply of lac from which electric fittings and various types of lacquers and toys can be made. There is also a very important outlet for the expression of the artistic sense of the village.

Even now, large number of persons make their living by distilling essential oils from forest plants. If forest planning is properly carried out we may be able to develop this industry.

Our forests abound in bones which will form the raw material for bone-meal making. Bone-meal is a very valuable source of phosphates when used as a manure. Of course the bones can also be used in such industries as making buttons and combs.

The rotting leaves in the forests when collected from the ground can be used as a good source of humus for our fields the fertility of which is today largely in need of being built up.

Many parts of our country like the Punjab, the U.P. and some parts of Kathiawad and South India are rich in types of soil that can be utilised for high class earthenware and porcelain. In places where such materials can be had, ceramics on a cottage basis should be encouraged. High temperature kilns needed should be provided by our co-operatives.

Raw materials for glass-making also abound in our country. Even the poorest in the land amongst our women-folk wear bangles which are considered more or less indispensable ornaments. Hence we have in bangle-making an industry with a wide market.

Tile and brick-making is also an industry in universal demand which can be carried on practically in every village.

Many parts of our country suffer from an overdose of alkaline effervescent earth, commonly known as *sajji matti*. If such deposits are removed from the surface, the fertility of the soil is increased. Sajji matti so removed is rich in sodium carbonate which can be easily extracted and converted into caustic lye, from which soap can be prepared. Such village soap-making will, therefore, not only provide a cleansing agent but also contribute to the fertility of the soil.

In most localities where there are streams, rivulets and rivers, different types of reeds are available. These can be made into baskets and mats for local use, but some of them have great industrial possibilities. In Patumadai, they have a high quality of reed taken from the stream that passes through the village (such sources should be freely available). Stripped into 16s. and 32s., woven into mats with cotton or silken warps, they produce mats which fetch prices running into 3 figures. This is a highly skilled industry which can be practised where such quality reeds are available.

India holds a high place as a fibre supplier of the world. These fibres are commonly found in most villages. The best known are jute, linseed and coir. On these depends a variety of industries such as rope making, and weaving of carpets.

From waste materials of fibrous articles paper-making by hand process is possible. With the drive for literacy and the growing need for writing materials, paper-making bids fair to become a very thriving industry. Hand-made paper holds a unique place in the world for its durability. Practically all the paper used for documentary purposes in the courts of law, for insurance policies, for university diplomas and currency notes are examples of hand lifted paper from mill prepared pulp. With proper equipment co-operative societies can supply pulp made from village waste to trained vatman who will lift paper which will then be taken over by the co-operative societies and finished according to the demand as writing paper, packing paper, drawing paper, etc.

Another industry based on paper pulp is the production of artistic toys such as the ones at present made at Jaipur, Kashmir and other places.

The above enumeration and description of village and cottage industries is not exhaustive. It is merely indicative of the possible lines into which our surplus population could be trained as valuable producers of articles in great demand. To make this possible we have indicated that the co-operative society should play the central part in the supply of raw materials, providing expert guidance and supply finance and help in marketing also. All these industries naturally cannot be taken up in every village. After proper survey and collection of information on the various problems involved, the industries to be advocated in a specific area should be decided on and launched upon. If this is done satisfactorily, we are confident that our objective of finding full employment for the displaced labour and the under-employed persons will be attained.

CHAPTER X

Rural Welfare

131. Introduction.—No agrarian reform will be complete unless it covers the aggregate life also of the villagers. The villagers in most parts of the country live in segregation. It is only in the South-West coast and on some of the hills that people live on their own holdings. Under conditions prevailing in the latter case, a great many of the problems arising out of group life are minimised. For instance, drainage ceases to be a problem as water used in each household can be easily disposed off on their own holdings. Similarly, the problem of scavenging practically disappears. Water supply will not raise much difficulty if either mountain streams, springs or nearby wells are available.

Group life, while it has its own advantages, brings with it many questions which involve social considerations. This brings us to the subject matter of this chapter, viz. social welfare. Under this heading we shall consider housing, sanitation, health, education and cultural activities.

132. Housing.—The housing sites have become far too crowded for the needs of the population. Apart from this, many of the agricultural labourers who are Harijans are not even allowed to enter certain parts of the village site. Although the different provinces have passed laws enabling Harijans to enter even temples, granting them equal rights in the use of schools and wells, yet in practice, much of this is a dead-letter. Agricultural labourers who are mostly Harijans are settled away from the main village. Such sites are the property of the landlords themselves. Hence should any dispute arise between the landlord and his labourer the instrument of eviction is always available to keep the labourer under control. We have recommended elsewhere that village sites should be owned by the village community as well as a scheme of housing for agricultural labourers under which much of these evils of exploitation would be eliminated. Village sites, however, need to be enlarged to provide sufficient area for the increased population with space for modern amenities such as gardens, playgrounds, etc. There should be no distinction in the allotting of the sites between the different interests. Social equality should be the basis of village life.

Such sites should be on high level allowing for natural drainage. The village lanes should provide enough room for at least two carts to pass abreast. There should be a central place allotted for the school, market, meeting ground, hospital and panchayat offices. The houses themselves should be well arranged to allow for adequate ventilation and cleanliness. The village site should be at least about a furlong away from the trunk roads so as to minimise the nuisance of heavy motor traffic affecting the health of the people. If the villagers are on the trunk roads, detours outside the village, should be provided for through traffic.

In one or two villages where the Panchayats were working well, the villagers were required to build brick and mortar drains in front of their houses. The materials necessary were provided by the Government while each householder was held responsible for building the drain in front of his own house. These were brought together at the end of the village and carried into the field through drains built by combined effort. This type of co-operative effort to keep the village clean is commendable and is easily implemented if the right spirit is prevalent.

The houses also could be built by the villagers themselves but the overall blueprint for the whole village should be followed. The plan for each village house should be passed by a competent authority.

Village lanes should be built of materials available in the neighbourhood such as gravel, rubble, etc. It should not cost much in terms of money. They should be built by common contribution of labour by the inhabitants. The maintenance may also be done co-operatively, all the houses in one lane being held responsible for the maintenance of the public thoroughfare in front of their houses.

133. School Grounds.—The extent of land given for the school building and play grounds will depend on the population of the school-going children. We contemplate compulsory basic education up to the age of 14. This will involve large accommodation for schools. Village schools will have an agricultural bias. Farms attached to schools should, as far as possible, be run on self-sufficient basis, so that they may grow not merely vegetables and fruits, but also grains which will meet the mid-day meal needs of the school children. If there is any surplus it may be sold. For this purpose adequate land for cultivation should be provided not within the village site but in nearby cultivable lands. Where there are post-basic schools centered round agriculture as an occupation, the higher grades of such schools may find it profitable to concentrate on the production of selected seeds for the whole village. They may obtain from the regional authority the licence for seed-growing. This item on their curriculum will be a valuable source of income to their school.

134. Markets.—Under our scheme good deal of the exchange of the commodities amongst the villagers would come under the multi-purpose co-operative society. Such an institution would require space for the multifarious activities for the daily transactions. Apart from this they would have to possess bonded warehouses, storage for the annual production of the village and workshops for the artisans working under their supervision; adequate provision has also to be allowed for open grounds round about the buildings for carts and other transport vehicles for loading and unloading.

135. Meeting Ground.—Under our scheme a good deal of the local affairs are to be managed by local talents. This would necessitate facilities

for the villagers to meet together and discuss and decide on all matters affecting their welfare. A fairly large area should be left out for this purpose

136. Panchayat Offices.—Nearby this meeting ground should be the Panchayat Offices where public notices and announcements will be put up. These will also provide accommodation for enquiry into disputes and settling of arbitration cases and conducting business of the village civic life. The Panchayat will be formed as provided for in an earlier chapter. They will have direct responsibility for the maintenance of village roads, water supply, sanitation, administration of justice, education and health services. Every village should conduct such public utilities with its own initiative.

137. Social Security.—The Panchayat will arrange to raise funds for the welfare of those members of the village who are in any way afflicted. These funds may take the form of contributions at the harvest time, or voluntary service or donations. We have visualised a form of life in which the responsibility for social welfare is diffused amongst the whole population. Therefore, when a person is not in a position to help himself either due to illness, physical disablements or superannuation, the village as a whole has a responsibility to discharge. A scheme of social security may be operated by equal contributions from the Government as well as the village people.

When heads of families or working members fall ill or, due to circumstances beyond their control, are unable to provide for their families, suitable arrangements should be made by the Panchayat to see that such families are not left without protection or sustenance.

138. Hospital.—Some convenient space should be allotted where medical aid would be made available to the villagers. For serious cases adequate ward accommodation should be provided for in-patients. These will only deal with minor ailments but more serious cases will have to be moved into taluka or district hospitals. The treatment given in these village dispensaries will be simple remedies which are locally available or can be prepared from herbs etc. found in the vicinity. The need for adequately equipped maternity and child welfare centres can hardly be over-emphasised.

139. Health.—The prevention of diseases is in many respects more important than provisions for curing them. For this purpose adequate propaganda should be carried on to improve the diet of the locality and bring it closely to the requirements of a balanced diet. Every hut should have adequate outlet for the kitchen smoke.

While the cultivator finds difficulty in obtaining an adequate supply of manure, our rural habits are such that a good deal of available manure is wasted. It is calculated that the night-soil when converted into manure will yield about Rs. 3 to Rs. 4 worth of manure per head per annum. From this

it can be seen, how a most important source of wealth which may run well into about Rs. 100 crores per annum by itself, not taking into account the possible increase in production by the use of this wealth, is not utilised.

At the moment there is a considerable amount of unscientific prejudice against the use of night-soil for manure purposes. If proper compost manure is prepared out of house-sweepings, dried and green leaves and night-soil along with urine, the resulting material will form a highly nutritive soil food. The land in our country, because of neglect, has lost a good deal of its fertility and is getting exhausted. If we have to restore the fertility of the soil no effort is too small to be taken into account.

We recommend that proper steps should be taken to conserve this valuable source of soil food. For this purpose manure making and compost preparation may even be turned into a profitable industry. If the individual villagers have any compunctions in taking care of night-soil we suggest that attractive subsidies should be offered by the Government to contractors who would undertake to perform this valuable service to society. Such contractors should be kept under close supervision to see that they do not exploit the services of Bhangis, and such other labour that they may be utilising in carrying on this industry and the price of such manure should be so fixed that the cultivators may use it. The compost when prepared by such contractors should be examined by experts to see that they have been properly matured. It will be only after this that the manure should be made available for spreading in the field.

140. Manure Pits.—At the present time, though the enterprising cultivator preserves all the manure he can, yet because of fuel shortage many cultivators are tempted to use cattle dung for fuel. Care should be taken to see that the cattle dung and the urine are properly preserved to provide the maximum manure for agricultural purposes. The manure pits should be kept beyond the house site and far away from the source of water.

141. Water.—In choosing the village sites, care should have been taken in regard to the availability of good drinking water in the locality, either from a river, tank or well. If the water is from a river adequate precautions should have to be taken to bring the water down from higher up the river to make sure that it is not polluted by the village dirt.

If it is from a tank, the water should be taken not directly from the tank but by a well dug near it to afford natural filtration. The tank itself should be safeguarded from animals approaching it and dirtying the water. The bunds of these tanks may be planted with fruit trees or vegetable gardens which will form by themselves a satisfactory barrier to keep the animals away.

If the water is obtained from a well, as far as possible, precaution should be taken that the well water is not polluted by washing of clothes and pots and by people bathing in the proximity. The best way is to seal the well and put up an overhead tank to which water may be pumped up either by hand or bullock power. From the overhead tank the supply of water may be given through pipes.

All these precautions in regard to water should also be taken by the co-operative effort of the villagers.

142. Education.—We have already referred to basic education while dealing with school buildings. Every child under 15 should be provided with full facilities for education under the Nai Talim scheme and children of below school-going age should have pre-basic schools and those above basic standard may have to go to either the tehsil town or the district town for post-basic education unless the village itself is large enough to warrant such a school in the vicinity.

These basic schools will be centres of social activities where all parents and other adults will meet together on a common platform. Every basic school is expected to be in touch with the homes of their children and will naturally act as a centre of adult education. A good deal of responsibility will therefore fall on the shoulders of the basic school teachers to introduce the reforms in the various aspects of village life suggested above.

143. Cultural Activities.—To allow ample scope for the development of the youth, Gram Sewak Sanghs should be organised to enable them to provide facilities for common social life. Such Gram Sewak Sanghs will work in co-ordination with the Village Panchayat and multi-purpose co-operative society. Through these youth organisations, a good deal of the village sanitation and the programme for health and hygiene can be carried out. Such young people can also organise local festivals and meetings. They may take part in all public affairs under the leadership of the older men. They may organise themselves to provide voluntary police corps for the protection of life and property of the village. They may also provide volunteers to fight natural calamities such as floods, epidemics, etc. They can conduct small study circles acquainting the members with history, local traditions and habits of the people. They may hold parties where folk tales and folk songs may be used to educate and entertain the local people. They may arrange for recreation based on folk dances and on study of folk art and local hobbies. They will also be responsible for setting up dramas, kirtans and bhajans. Such activities will bring about common understanding and unity amongst the members.

144. Village Libraries.—With the spread of education, it will be necessary to have a selected collection of books suitable for both the young and the old.

Alongside we may have collections of samples of handywork in the form of an exhibition. These will give ideas of design, pattern and also help in spreading village art.

While much will depend on Government help by way of finance and technical guidance, the organisation of rural welfare can be greatly facilitated if the Congress organisation and individual Congressmen and women take up Gandhiji's constructive programme in right earnest..

CHAPTER XI

Agricultural Statistics

145. Absence of Agricultural Statistics.—One of the biggest handicaps in formulating sound agricultural policies is the absence of adequate and reliable agricultural statistics. In ryotwari as well as most of the temporarily settled zamindari areas there is an elaborate system of land records, but one which is primarily devised for the collection of land revenue. In the permanently settled zamindari tracts, even these records are not there. But what needs to be realised is that the statistics collected for the purposes of land revenue, however perfect, are hardly the type of statistics which would prove useful for the purpose of framing agricultural policies. Take the simple case of crop yields. The revenue authorities are interested in just ascertaining whether a partial or a full remission is necessary. A much more accurate estimate would, however, be necessary if, for example, the results of the Grow More Food Campaign are to be assessed.

Much can be said about the manner in which the present agricultural statistics are collected. A sample survey recently conducted by the Agricultural Economics Section of the University School of Economics, Bombay, to test the accuracy of the land records, revealed that the records were very faulty and unreliable. As an example of their unreliability, we may cite the example of cotton. In 1944-45, the All-India forecast of cotton production was found to be 22% lower when compared with the available check data on actual production such as ginning and pressing returns, consumption by mills, etc.

No useful purpose will be served by detailed criticism of the existing methods and machinery for the collection of agricultural statistics, because no mere amendment of the existing system will meet the requirements of the situation. The problems need to be viewed afresh in the context of contemplated reconstruction of agriculture.

146. Statistician and Agricultural Economics.—The foremost question is to determine what statistics are essential for the formulation of agricultural policies. It is necessary to point out that this is the field of the agricultural economist and not of a statistician. All that we may attempt here is to just mention a list of items on which the Committee would have liked to have information but could not get it.

- (1) Cost of cultivation and level of agricultural incomes.
- (2) The extent of enforced unemployment amongst different strata of agricultural population.
- (3) The extent of rural indebtedness and the effect of rise in prices on various sectors of agricultural economy.

- (4) The financial requirements of various classes of agriculturists and how they are met.
- (5) The extent of rural savings and investment.
- (6) Agricultural wages.
- (7) Incidence of Agricultural Taxation.
- (8) Area under tenant cultivation.

The above list is not exhaustive but is sufficient to indicate how extremely difficult it is to make any sure recommendations on agricultural policy in the absence of this somewhat basic information.

The second point to be decided in this connection is the method of collecting the requisite statistics. The science of statistics has made a great advance in recent times and it is up to the statisticians to devise ways and means for the collection of statistics which the agricultural economists and the Government deem necessary. It will also be their duty to train the necessary personnel at different levels.

The third point is about the machinery for the collection of statistics. Here we are frankly of the opinion that this work is not appropriate to the Revenue Department and must be entrusted to a special branch—Bureau of Economics of the Department of Agriculture or of the Land Commission as in our scheme of things. The Revenue staff has enough work of its own. Collection of statistics requires special training and the Land Commission will be required to recruit and train the appropriate personnel.

147. Machinery of Collection.—In order that the whole work may be properly co-ordinated, we recommend an All-India Council for Agricultural Statistics which will act as an advisory body to the Central Land Commission, with its counterpart at the Provincial level. The Council should consist of agricultural economists, statisticians, representatives of trade and industry interested in commercial crops and industrial raw materials and the Government. The Council will advise the Land Commission on questions mentioned above, namely, nature of agricultural statistics, method and machinery of their collection.

148. American Experience.—It may be germane to draw attention to the organisation and the work of the Bureau of Agricultural Economics of the U. S. Government of Agriculture.

“ The general programme planning of the U. S. Department of Agriculture has now come under the leadership of the Bureau of Economics. The Bureau is not only the planning agency but also the main economic fact-finding agency. It develops plans and programmes for the whole department as a basis for the entire pattern of agricultural, conservational and marketing services. This overall planning moulds the several programmes into a general programme and co-relates the main features with regional and State requirements.

“ The U.S. Department of Agriculture has a vast and efficient apparatus at its command. Nearly 12 out of its 18 sections are watching almost every minute the latest developments in general economic activity, marketing, commodity exchanges, farm credit, farm security, farm insurance, crop surpluses, foreign agricultural relations, land use, etc. Not only are these studies carefully and minutely made out, the Department has also an intimate knowledge of migration trends, rural poverty, tenure relationship, property rights in land, mortgage debt, land taxation, etc. All these studies enable the Department to advise the Government well and in time.”¹

We have given above these extensive quotations to give some idea of the scope of research and statistical work in Agricultural Economics. For us in India, agriculture is the backbone of our country, yet it has not received the attention it deserves from the Government or even the Universities. We hope, now that there is a National Government, agriculture and its economics will receive the care and attention which its importance in the country's economy deserves.

(Sd.) J. C. Kumarappa

Chairman,

(Sd.) M. L. Dantwala,

(Sd.) S. Das Gupta,

* (Sd.) O. P. Ramaswamy Reddiar,

* (Sd.) N. G. Ranga,

(Sd.) A. Raza,

(Sd.) P. P. Varma,

(Sd.) K. Mitra

Secretary.

*Subject to the attached minute of dissent.

Note: Shri T. V. Raghavulu, a member of this Committee, has not signified his consent up to the time of submitting this Report to the Congress President, nor has he stated his intention to send in a dissenting note.

MINUTE OF DISSENT

by

Shri O. P. Ramaswamy Reddiar and Shri N. G. Ranga

Fundamental Principles Underlying the Proposed Reorganisation and Reconstruction of Agriculture and Agricultural Population

(Paragraph 10 of the Report)

We have set before ourselves, like our colleagues, certain main principles of agrarian economy in the light of which our agriculture has to be reorganised and reconstructed so that it might yield higher standard of living for all employed in agriculture—land-owning cultivators, protected tenants, agricultural workers and co-operators—and increasing opportunities for educational, technical and cultural equipment and leisure for all our peasants.

(a) Agricultural economy should provide opportunity for the development of individuals' personality, economic freedom and status ;

(b) Enabling the maximum number of agriculturists to satisfy their traditional hunger for land and utilise their attachment to land for protecting their individual economic freedom and developing their individual and co-operative initiative, enterprise and also for the development of incentives for greater efficiency and production and higher standard of living within the ambit of general agrarian planning obtaining in their region.

(c) The existing peasants' rights of property, cultivation and house-building over their lands should be respected and paid for in an equitable manner, whenever acquired by the State or co-operative society or anyone else, in pursuance of article 24 (2) of the Constitution.

(d) There should be no exploitation.

(e) No peasant should be compulsorily removed from the possession of his land and its cultivation, even when paying compensation, unless other source of employment and living is provided.

(f) No peasant in any region or village should be compulsorily forced into any other system of land utilisation and organisation unless two-thirds of his confreres within that village or region vote for the contemplated change.

(g) There should be maximum efficiency of production and maximum employment.

(h) The scheme of Agrarian Reforms should be practicable.

(i) The present unequal distribution of national wealth and income between agricultural and non-agricultural interests, to the detriment of the former, should be eliminated as soon as possible.

(j) And steps should be taken immediately to bring about parity in the evaluation of the services rendered by agriculture and other sectors of life and in the social amenities and opportunities provided for agriculture and other sectors of community.

Unfortunately, the majority report accepts only the following :

- (a) The agrarian economy should provide opportunity for the development of individual's personality ;
 - (b) There should be no exploitation ;
 - (c) There should be maximum efficiency of production ;
- and (d) The scheme of agrarian reforms should be practicable.

We are, however, convinced that unless the additional principles are also made the basis for the reorganisation of agriculture, it would not be possible for our agriculture to achieve maximum production and raise the standards of living and leisure and culture of all agriculturists, as well as just and progressive mutual relations as between different sections and interests among themselves and to feel assured of a minimum range of stability of their rights and responsibilities and an assurance that the society as a whole, and the State, would deal with them fairly and place them on a par with all other sections of society.

STABILISATION OF AGRICULTURAL PRICES

We are glad to say that we are in general agreement with the majority report on the stabilisation of agricultural prices, and crop and cattle insurance. Until and unless the State takes up the responsibility of maintaining agricultural prices at a remunerative level, so as to enable both cultivators and workers to achieve a decent standard of living, it would not be possible for us to expect agriculture and agriculturists to make a satisfactory and progressive contribution to our national income and well-being.

Therefore it is the duty of the State to fix ranges of minimum and maximum and fair prices with the help of detailed and scientific studies of cost of cultivation and standard of living to be made from time to time. To maintain such prices, it would be necessary for the State to utilise all the available warehouses, go-downs and granaries of different types possessed by the peasants themselves, Co-operative Societies, Banks and Government, and also develop and execute a ten-year programme of construction of licensed warehouses and railway elevators at all important railway stations. It might also be necessary to develop a separate State Agricultural Credit organisation such as the American Commodity Credit Corporation. Such an organisation

would be useful in providing the minimum degree of stability in the price ranges of agricultural commodities.

In this connection we would like the State to keep in touch with the various schemes of price stabilisation obtaining in U. S. A. and Canada, Scandinavian countries, Australia and New Zealand and other countries, and in particular, to study the working of Parity and Price Support Schemes of U.S.A. and the proposed Brannan Scheme of guaranteeing a minimum price to agricultural commodities while allowing the market to settle its own price above it.

CROP AND CATTLE INSURANCE

Such a Corporation as Commodity Credit Corporation would and could derive much strength if and when Crop Insurance comes to be organised, especially when the Insurance premium comes to be collected in terms of staple and non-perishable commodities. It is high time for our Government to recognise that to organise Crop and Cattle Insurance is as urgent and essential a duty of the State as the provision of social security to industrial labour. We do, however, realise the risks involved in a large-scale crop and cattle insurance. We, therefore, recommend that a large number of pilot schemes of Crop and Cattle Insurance should be started in all the provinces, starting with certain staple-commodities and certain types of cattle on some such lines as are indicated in the report of Dr. Natarajan, Economic Adviser to Madras Government in his scheme on "Crop Insurance for the Province of Madras".

GRAIN BANKS OR C.C.C.'S GRAIN STORES

Frequent visitations of famine in different areas due to pests and rust and failure of rains in certain parts and visitation of floods in other parts and the consequent failure of crops, are a special feature of our country. Therefore it is necessary to develop the organisation of Grain Banks or their equivalent Grain Stores in almost all areas which are specially vulnerable to these vicissitudes. Such an organisation would become much easier of achievement if the Commodity Credit Corporation (C.C.C.) and its nationwide net-work of warehouses and the streams of grain flowing into them from the Crop Insurance premiums—all come to be organised in a co-ordinated national plan of agricultural production and development. Such a nationwide net-work of Grain Stores would automatically become the Grain Banks which can be drawn upon in times of scarcity and famine, for the relief of famine-affected areas and their peoples.

AGRICULTURAL IMPROVEMENTS

(a) We are generally in agreement with the majority in regard to the various improvements suggested.

(b) We are convinced that agricultural development is basic and first pre-requisite for the industrial, commercial and other development of the country. Therefore, top priority should be given in the allotment of all available nation resources and capital goods and "KNOW HOW" for the development of agricultural and the associated industries, and such other industries which would directly minister to the development of agriculture.

(c) *Balanced Regional Development of Irrigation and Flood Control Scheme*: It is bad economy to over-develop irrigational and flood control facilities in any area and to trust to the ability of modern transport facilities to provide food-stuffs at famine prices to famine-stricken areas whose irrigation needs are being neglected. It serves both strategic purposes and uniform development of country to develop and pursue regionally balanced scheme of irrigational and flood control projects in every period of 3 to 5 years so that every region within the sub-continent of India can come to have, within its easy reach, increasing areas of irrigated lands and their assured annual harvests of food crops.

(d) But we wish to lay stress upon the need for a co-ordinated and practicable plan of irrigation and flood control so that every available drop of water is put to the maximum irrigational use and every drop of unwanted water is drained away. As it is, too large an area of cultivable and cultivated land is exposed to the vagaries of monsoons. One of the best ways by which secure crop-yields and peasant security can be ensured is by increasing the total area under irrigation.

(e) We are also anxious that the distribution of water under irrigation schemes, as between different areas and groups of peasants and its utilisation, should be subjected to the democratic control of Irrigation Panchayats or Village Panchayats as the case may be, so that irrigation department could be expected to discharge its functions of distribution of water more honestly, justly and efficiently.

(f) So far the problem of river and tank conservancy has not been tackled satisfactorily. Large areas of valuable lands, both irrigated and unirrigated, are being lost by wayward flow of river water. This has to be tackled urgently.

AGRICULTURAL LABOUR

ORGANISATION

We agree with the majority that agricultural labour might be organised separately from the cultivators' organisation. The Conference of Presidents and Secretaries of Provincial Congress Committees has also made such recommendation.

Now that more and more statutory responsibilities are coming to be placed upon the cultivators and agricultural workers by such labour legislation as Minimum Wages Act and Social Insurance Act, the State should

give every possible encouragement to these two groups of agriculturists to organise themselves into their respective Kisan Congress and Khet Mazdoor Congress.

FUNDS FOR AGRICULTURISTS (KISAN AND KHET MAZDOOR) ORGANISATIONS

Just as in England, trade unions are empowered to collect the trade union dues and political affiliation fees from such of their members as are willing to make such contribution through the medium of employers and in certain provinces of Canada, special legislation empowers the farmers' organisations to collect their dues from their members as a part of the tax payable by the farmers to Government, so also should our Provincial Governments pass special legislation to enable and empower our cultivators and agricultural labour organisations to get their membership fees collected through the usual land revenue collection agency, just as local cesses are being collected. If this minimum encouragement is given to these organisations, the organisational strength and discipline of cultivators and agricultural labour will rapidly grow and their organisations will then be in a strong position to co-operate with the State in its crop planning, crop insurance, price supports and other policies and agricultural development. Such organisations, if provided with adequate funds in this manner, would be able to possess competent, educated and responsible leadership who could be expected to man and run the various co-operatives whose rapid development we are advocating.

TREAT AGRICULTURE AS BASIC PUBLIC UTILITY NO. 1

We realise that there are issues like wages and hours of labour and efficiency of work over which there may be differences in the interests and experiences and opinions of cultivators and agricultural labour. These differences may and do lead sometimes to conflicts. But it is the duty of the Society and State to take every possible step to minimise such differences in their mutual interests and eliminate the need for any such open conflicts. As everyone knows, agriculture and especially production of crops ministering to food and cloth, is of paramount and basic importance to the very existence of social life and therefore every effort should be made by Society and State to prevent any cessation of work either by cultivators or by workers in such agricultural operations. Strikes or lock-outs in agriculture cannot and ought not to be envisaged by the State with any sense of indifference just as it might do in the case of industries because, while such violent and sudden cessations of work in industries may not and do not cause any incalculable or disproportionate damage to the society, lock-outs and strikes in agriculture, even for a few days or weeks during such special key agricultural seasons as ploughing or sowing or transplantation or reaping and harvesting, are likely to cause incalculable and irreparable national loss of valuable crops—once the season

of good rainfall or propitious sunshine is lost—needed for food and clothing, the two basic needs of society. It is the imperative duty of State to so reorganise the social and economic relations between cultivators and agricultural workers as to make it unnecessary for either of them to contemplate with any sense of social justice, any resort to lock-outs or strikes and to proceed to assure cultivators remunerative prices and workers decent wages. If in spite of these precautions either lock-outs or strikes come to be organised, it should be the duty of the State to take necessary precautionary steps to ensure the continued agricultural operations in the countryside.

HOUSE SITES AND BACKYARDS FOR LABOUR

Regarding the Panneyals in the district of Tanjore in the Province of Madras, we agree with our colleagues that the condition of this class of agricultural workers requires immediate amelioration, particularly in the matter of grant of house sites and liquidation of hereditary debts. The Panneyals are farm servants, permanent or temporary, and not tenants. They are paid daily wages in grain or in money and in addition receive annual perquisites and bonuses. They are allowed sites for their houses by the landlord as also backyards, extending to 1/3 acre of single or double crop land, as the case may be, the produce from which is not shared by the landlord, but the land revenue for which is paid by the latter. The immediate need of the Panneyals is the grant of house sites as they have to be vacated the moment the Panneyals cease to work for the mirasdar. This results in great insecurity and impedes freedom of labour contract. Most of these Panneyals are Harijans and are very poor.

We therefore recommend that where the Panneyals and other agricultural workers similarly situated have been enjoying house sites and backyards continuously for a period of 12 years, these house sites and backyards should be assigned to them permanently and subject to the usual payment of tax to Government, and the patta be transferred in their names. Suitable legislation should be passed in this regard.

Where such house sites are not available and where Panneyals and such others have not been in occupation continuously for 12 years the State and the landlord should together bear the burden of providing suitable house sites for them either by assigning purambokes or by acquiring private lands.

This together with the implementation of the Minimum Wages Act and Social Insurance Act and the Rural Housing programme envisaged by the majority will, we trust, go a long way to raise their status and improve their economic conditions.

We are sorry we are unable to offer any observations upon the statistical information provided by the majority report in their paragraphs 84 to 91 as we have not been able to study them in sufficient detail.

We are certainly in favour of the early implementation of Minimum Wages Act of 1948 (Paragraph 92). We endorse the majority view that Minimum Wages to agricultural labourer should depend on the fulfilment by agricultural labour standard of minimum efficiency laid down by the Wages Board, provided labour is given proper facilities of work.

We also wish to endorse the following observations of the majority in regard to the need for supporting agricultural prices. "As payment of minimum wages would be an element of cost of production, prices of agricultural products should be so fixed that the average unit of agricultural production under our scheme can bear this charge without incurring any loss."

ECONOMIC HOLDING

We are also in favour of prescribing an economic holding and increasing the number of holdings which are either economic or bigger than economic holding, so that more and more peasants can come to have full employment for themselves and their families, without having to depend upon any subsidiary source of employment and maximum production per acre and per head can be achieved.

But in order to arrive at the extent of economic holding, it is necessary to take into account the following main considerations :

- (i) It must be capable of giving maximum yields per acre or per person, or both.
- (ii) It must provide full employment to a family of normal size.
- (iii) It must afford a reasonable standard of living.
- (iv) It has to provide for other relevant factors peculiar to the agrarian economy of the region.

It is unnecessary, as the other members suggest, to make the extent of an economic holding depend upon the maintenance of or work for a pair of bullocks, because in the near future, bullock-power need not be maintained by each peasant and can be hired from Co-operative Society and *tractor-power* also may come to be available from Co-operative Societies.

This is not the time for laying down any principles for the fixation of the size of an economic holding.

The extent of such a holding cannot be fixed permanently or uniformly for all areas, since it is dependent upon the fertility of the soil, extent of rainfall, irrigation and drainage facilities available, quality or quantity of manures and seeds and the nature of crop planning and other conditions of agrarian economy made possible by the State. Moreover, the Land Commission that is being proposed has to conduct detailed and scientific enquiries into costs of production and cost of living. Such enquiries should comprehend the capital needs of agriculture such as cattle, implements, machinery and other invest-

ments and depreciation and interest charges thereon, contribution of family labour and supervision charges, provision for failure of crops due to vicissitudes of season, pests, etc. Similarly in determining the cost of living the family budgets of the ryot should provide for education of his children, medical assistance, leisure and other elementary needs of peasant's life and also otherwise leaving scope for the development of his personality.

We are not in favour of making any distinction between basic and smaller holdings and assuming that the latter are incapable of economic exploitation. Even as our other colleagues have recognised, the place of smaller holdings in our agrarian economy should be viewed not merely from their financial returns but also from the sociological angle. The millions of peasants who own only smaller holdings and who have no other principal source of living ought to be considered as deserving every possible State encouragement in order to supplement the quantum of employment and economic return they can get from their holdings and should not be forced into any other social dispensation, which will deprive them of even their present degree of economic competence and freedom, arising from their holdings and their capacity to afford some quantum of secure employment and income.

All the arguments that are being advanced in favour of encouraging the peasants owning holdings below the size of economic holding but above that of basic holding are equally valid for the sub-basic holdings. Anyhow, subsidiary employment is needed to enable a peasant of holdings of either size to have a minimum amount of employment and standard of living.

We must also remember that the extent of economic holding cannot be permanently fixed or prescribed and that it can only be a fluid conception and its exact extent at any moment or in any year depends upon the prevailing conditions—economic and social; that is, the economic holding can only be visualised as within a range.

MAXIMUM HOLDING

We are in favour of attempting to prescribe maximum holding or rather a range of maximum holdings. The need for such a procedure arises from the pressure of peasant masses for some land to be owned and cultivated, although the cultivation of holdings above the maximum extents may often prove to be more economical. We are at the same time conscious of the danger of not giving sufficient scope, as is available in other industries and other walks of life, for really brilliant, capable and experienced agriculturists, by narrowing down the maximum extent of land that they can cultivate. Since, however, such enterprising people, can come to be employed in the Co-operatives, whose rapid development we all of us contemplate, we are prepared to take the risk. It is only fair to the millions of peasants who have the necessary initiative, abilities

and enterprise, to permit them to continue to possess and cultivate, with or without hired labour, sufficiently large holdings as are capable of giving full scope for the development and display of their capacity for leadership and organisation and thus make the best contribution to the total national wealth and social well-being.

The range of such extents of maximum holding also varies from region to region, just as the range of economic holding also varies. We are therefore unable to agree with our colleagues in dogmatically prescribing that the maximum should not be more than three times the economic holding. What multiple of economic holding the maximum holding should be, will have to be decided in the light of the findings of the committees to be constituted to fix the income ceilings in the other sectors of economic life, as economic and social justice demands a parity between various incomes. According to report of the Economic Programme Committee of Congress, the maximum income per month should not be more than Rs. 4,000, i.e., 40 times as much as the minimum income. One would naturally be inclined to demand that the same proportion should hold in agriculture also. But having considered how impossible of achievement and justification in the existing social conditions of the world such a maximum range of income is, we are of the opinion that it should be reconsidered and placed at twenty times the minimum income. But in view of the special disability of agriculture in that the total extent of cultivable land is limited in any period of time, while the demand for more land is ever so insistent, we are prepared to suggest that the maximum in this regard may be fixed at not more than ten and not less than five times the economic holding, without anyway minimising the justness and force of our demand for parity treatment to be meted out by society and State between agriculture and other avocations of life. In other words, ultimately the fixation of maximum ranges in agriculture will largely depend on and will have to follow the fixation of maximum in other sectors of economic life.

CO-OPERATIVE FARMING (Paragraphs 19 and 47 of the Report)

We also favour the State and public giving every possible encouragement to the development of Co-operative organisations among our peasants. But we are unable to agree to making the actual cultivation of land a co-operative process through compulsion, as is being suggested. We feel that if we were to have a multiple co-operative society in every village capable of advancing necessary credit at low rates of interests, hiring out the services of cattle and implements and supplying manures and seeds at no profits, there need be no limit to the smallness of holding of any cultivator in order to make him an effective co-operator and enable him to derive the maximum benefit from co-operative organisation.

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Any compulsion upon peasants can come to be justified only when the overwhelming majority of them agree upon the inevitability and utility and also urgency. It can be successful only when those in authority who have to exercise it have the confidence of all the peasants concerned and are conscientious democrats and are prepared to show the greatest degree of patience and affection towards the peasants who have to be persuasively compelled to adopt the decided course of action. As things are in India, it is practically impossible either to discover or to develop such a huge band of democratic-minded administrators as would be needed, if compulsory co-operative farming, as is proposed by our colleagues, were to be adopted as State policy. On the other hand, we are all in favour of Co-operative Better Farming because it has been proved to be an unqualified success in all the Scandinavian countries and also in Canada and U.S.A. It would also reduce enormously the cost to our peasants of credit and of marketing agricultural produce and supplying various producers' goods such as manures, cattle services, machinery, seeds, implements, fuel and also consumers' goods such as cloth, oil, etc. needed by peasants. Such Co-operative Farming would provide farmers with all the advantages of capitalistic farming, better organisation and standardisation. Moreover, wide-spread propaganda has been carried on in its favour for several decades among our peasants.

Therefore, we recommend to our Government to take the risk of making Co-operative Better Farming compulsory upon all farmers, provided 75 per cent of them in any area or region vote in favour of it.

We are in favour of obliging all the farmers in particular regions to go into Co-operative Better Farming as a matter of experiment so that if such compulsory Co-operative Better Farming were to prove most acceptable, democratic and successful, such compulsion might be resorted to in other areas also.

We are sorry to notice that our colleagues suggest coercion as an ordinary means and not as an extraordinary one for the development of both co-operative joint farming and co-operative better farming in the light of the unsuccessful and unsatisfactory working of democracy in our existing co-operative societies especially among farmers, the prevalence of factions, and particularly in administration and the paucity of public spirited, educated and competent peasants with adequate leisure to head the Co-operative societies and direct their activity and control their permanent servants. We feel that we can progress towards the slower process of experimentation, trial and error and adjustment of the working of co-operatives in the light of the experience to the actual need and capabilities of our peasants.

Therefore our Government should not be in a haste to don the weapon of compulsion as readily as is being suggested by our colleagues.

We are, however, hopeful that in the not distant future it might become possible for all peasants in most parts of the country to accept co-operative

better farming as a universal feature of our agriculture and welcome compulsion not as a punishment or an imposition, but as a convenience.

We do recommend that on Government lands—those already cultivated and also those which are to be brought under cultivation and also lands belonging to landlords on which no peasants have yet been settled,—Co-operative Joint Farming can be compulsorily organised. This would satisfy the landhunger of some of our agricultural workers who should form the major portion of the membership of such co-operative farming.

We specially recommend to Government the paragraphs 23, 24 and 25 of the Report and suggest that the whole pattern of agrarian economy that is being suggested by our colleagues and ourselves should be treated as a continuing process of evolution from a landless peasantry to cultivating landholders, from peasants who are at the mercy of middlemen, merchants and money-lenders to peasants who serve themselves and their agriculture through Co-operative Better Farming, from individualist cultivation to co-operative, from waste lands and lands going to waste to all lands being usefully and intensively cultivated. Therefore every Provincial Government has to develop its own periodical plans in the various directions in order to achieve “only by experimentation” the type of farming which should be the ruling pattern of the agrarian reform of the country during the next 25 years.

At the same time, it is most essential that the co-operatives should be expected to prove themselves to be efficient and successful business concerns capable of maximising the opportunities available for such of the peasants as would join them for developing their initiative, enterprise, collective as well as individual freedom and the whole of their personality. All that the State can be expected to do is to create favourable conditions for their success and not to turn a co-operative into a coercive agency.

MECHANICS OF AGRICULTURAL CO-OPERATIVES

We have already stated that we are not in favour of promoting Co-operative Joint Farming through compulsion and that we are generally in favour of the State and public giving every possible encouragement to Agricultural Co-operatives. It is our firm belief that the future progress and prosperity of our peasantry will mostly depend upon the degree of success achieved in our attempts to persuade our peasants to join Agricultural Co-operatives whether they be Joint Co-operative Farms, Better-Farming Co-operative Societies or Multi-purpose Co-operatives. But since it is a difficult and prolonged process to persuade the majority of our peasants to join the co-operatives to make them a success it is necessary to examine the mechanics of Agricultural Co-operatives to make the Co-operative Societies a success in the shortest possible period.

We are in favour of the main principles underlying what is called by the Co-operative Planning Committee "The Co-operative Tenant Farming" which is referred to by the Report in paragraph 48 and which is rejected by them. We wish to call this new type of co-operative as "The Co-operative Crop Planning and Better Farming Society" to convey better our conception of the society. According to us, the members who join it would continue to own their lands. But they would be willing to implement the crop plan decided upon by their society, treating the total extent of their land as one whole bloc and settling the areas to be placed under different crops in accordance with suitability of each field for a particular crop or crops so that the best possible use of every field within the total holding of the co-operative can be achieved.

Secondly, the members would be free to settle the manner in which they cultivate their own lands; but only in accordance with the crop plan of the society and thus enjoy free scope for the growth and display of their individual initiative and personality.

The society will also be prepared to maintain and provide services of cattle, better seed and manures, implements, grain stores, hay and straw and other cattle-feed and credit and also the marketing of peasants' produce and supply of consumers' goods. Thus the Co-operative Society would be performing three functions, namely, Crop Planning, Better Farming, Marketing and Supplying.

Such a society would be performing functions which would be midway between Co-operative Tenant Farming and Co-operative Joint Farming which are discussed at length by the Report and out of which the latter is favoured. We feel that this type of Agricultural Co-operatives would be most suited to the present psychology of peasants, the ability and equipment of their Provincial Governments and the general social environment of our country. We are therefore anxious that the Provincial Governments and the Central Government should give every possible encouragement to the formation of Co-operative Crop Planning and Better Farming Societies and see that they are enabled to embrace as large a portion of protected tenants as possible within the next 10 years.

The members of such a society should be encouraged to give preference to each other in the matter of their labour and other services so that peasants, with too small holdings, who will have large surpluses of their own labour, can be given preference by the other members of the society whenever they need the help of outside labour and similarly those workers also will prefer to work for the bigger cultivation among their members to hiring out their services to outsiders. Through this co-operative exchange of their labour according to the rates of wages and other conditions of work fixed by their own society, it would be possible for them to eliminate all elements of exploitation and develop a family feeling and mutual help among themselves.

The same society may also attempt to develop some cottage industry, especially those connected with agriculture in order to provide more and more work resulting in higher income and standard of living by utilising their time when it is not needed by their agricultural operations.

We are unable to join our colleagues in their impatience to organise Co-operative Joint Farms in which every farming operation is to be carried on co-operatively. We have not yet had even a few successful attempts made in Co-operative Farming. We have yet to experiment with and make a success of Multi-purpose Co-operative Societies and Co-operative Crop Planning and Better Farming Societies. Therefore it is too premature to expect our co-operative societies and public workers among peasants and Governments to venture to accept the principles of compulsion and complete negation of individual farming even on a portion of the holdings of a member, the unconditional and complete pooling of all lands and even most of the agricultural stock of peasant members into the resources of the society and make experiments with such Joint Farming on such a large scale as is contemplated by the majority. Therefore, we wish to lay much greater stress on the importance of developing Co-operative Crop Planning and Better Farming Societies while the majority do not favour it. We are very anxious that Provincial Governments should expend their resources to large extent upon Crop Planning and Better Farming while the majority are not keen about it. It is for the Provincial Governments to make choice of our respective recommendations. We are, however, convinced that the great majority of our peasants would favour our recommendation and that it would therefore be much easier for Provincial Governments to make rapid progress in the development of co-operative societies among peasants on the lines suggested by us (Para 49).

Dealing with one or two details of the internal organisation of the proposed Co-operative Joint Farming, we wish to state that it is not right to prevent a peasant from resigning *from such a society and from withdrawing his lands and his cattle, etc. from the farm, if he finds that the management of the society is too autocratic or inefficient.* Every member should be permitted to withdraw from such a society at any time after the first two years after giving one crop season's notice. Such a privilege should only help more and more peasants to agree to share in the experiments of the Co-operative Joint Farming, since they should feel that the risks involved should not be too great (Para 50).

Similarly it is wrong, as is suggested by the Report, to stipulate the condition that the landlord of the protected tenant should be prevented from terminating the tenancy withdrawing land from the farm because only when the land owners are assured of their right to withdraw their lands from the farm by terminating the tenancy that more and more of them can be expected to encourage their tenants to join the Co-operative Joint Farm. (Para 49).

It is a mistake to suggest, as the Report does, that the payment of rents agreed upon by the protected tenants "should not be the concern of Co-operative Joint Farm". The moment a protected tenant is of one such farm, it becomes the duty of the farm to take over that responsibility to the concerned land-owner (Para 52).

Concerning the State assistance to co-operative societies, we have already stated that we are in favour of giving all-out State assistance. But we cannot agree with the Report that there should be any discrimination in favour of the co-operative societies to the positive detriment of independent peasants, especially in the distribution of canal and tank waters and the monopoly supply of better seeds, manures and implements at cheap rate, because such procedure would perpetrate serious injustice and create strong prejudice against the Co-operative Movement (Para 53).

CONDITIONS OF SUCCESS

Among the conditions leading to success of Agricultural Co-operatives, not only of Joint Farming type but also Co-operative Crop Planning and Better Farming, Multi-purpose Co-operatives, we are obliged to enumerate two additional items, i.e., democratic organisation and running of co-operatives along healthy and really co-operative traditions of democracy, and the training and maintenance of a growing band of peasant intellectuals who would form an efficient, experienced and democratic-minded co-operative administrative service in addition to the four conditions indicated by the Report, i.e., wise leadership, equitable distribution of products, capacity for sacrifice and service and maintenance of individual interests (Para 54).

We cannot agree with the majority in demanding that every farmer who joins a Co-operative Joint Farm should pool into it the whole of his holding because, in India, a peasant's holding is generally found not in one field but in a number of fragments or fields and it is quite possible that some of the fields are too far removed from the area of land included in a Co-operative Joint Farm. Moreover, the majority has itself agreed that "good results may be achieved if the farmers are allowed to have some homestead lands where they can raise their kitchen garden, vegetables and some personal requirements like tobacco, pepper and other things". If it is remembered that a good percentage of the small-holders possess only as much as a homestead land, it becomes clear that all of them need not be coerced to come into the Co-operative Joint Farm and can be allowed to carry on their own individual farming even within the four corners of the recommendations of the Report (Para 54).

So much propaganda has been carried on in favour of multi-purpose co-operative societies for such a long time that we are also inclined to favour it as the Report does (Para 56).

When our experience of the various rural co-operative societies, each devoted only to single purpose, has been far from satisfactory, we are

obliged to be hesitant whether the multi-purpose co-operative society will promote democratic traditions and efficient and equitable distribution of credit, manures, seeds, consumers' goods and also provide marketing without giving room to nepotism and oppression. The Report also observes that "we have found in the course of our tours, that the multi-purpose co-operatives in many places are the instruments for the domination of illiterate peasants by a handful of better equipped and better placed agriculturists" and that "the meeting of a multi-purpose society becomes a babel of tongues which gives an opportunity to the more substantial section of the village in pushing their own interests" (Para 57).

Therefore it may be as well that there should be a number of single purpose co-operatives in every village or group of villages to control each other, to provide representation for different sections of agriculturists and give scope for different groups of educated and public-spirited peasants whom it may not be convenient to accommodate and utilise in the single multi-purpose co-operative society (Para 57). We are also in favour of large number of experiments being made with the working of multi-purpose co-operative societies.

PEASANTS' PROPRIETARY RIGHTS OVER LAND

From the earliest times peasants' claims for proprietorship and cultivation rights have been recognised in India. Anyone who studies the inscriptions of Chola, Chera, Pandya times, would be able to attest to this fact.* It is also equally true that Village Panchayats enjoyed certain over-all rights over the land-owning peasants. The distinction between ownership rights and cultivation rights was also being made in the early times. According to Manu, if a man having no property in land sows his seed on another man's soil, the latter takes the crop which may spring up. If the seed is carried by water or wind, and germinates there, the crop belongs to the owner of the field. If no agreement has been made between the owner of the field and the owner of the seed, the benefit goes to the owner of the field. But if by a special contract land is made over to another for sowing, the owner of the seed and the owner of the soil are both considered as sharers of the crop. Landowners, whether small or big, had the right to sell or bequeath their lands; but only to such people as were not considered to be "Grama Drohi" (enemies of villages) by the Village Panchayat. Even kings could not claim any ownership over the lands in the possession of peasants and they had therefore to pay the purchase price before they could take possession of any land (ryoti land), and donate it to a local temple or a Pandit or anyone else. The Village Panchayat, on the other hand, used to have the right of proprietorship over certain cultivable lands and all the unoccupied and uncultivated lands, forests, pathways, burial grounds, threshing floors, tanks, tank beds

* See South Indian inscriptions, Vols. 1, 2, 3, Government of Madras Cholas by K. A. Nilakanta Sastry, the Pallavas by Dr. Minakshi.

and tank-bunds, rivers and rivulets and such other communal property. They had the right to let any peasant into the occupation and utilisation of any portion of such lands either freely or on payment of a fee ; but once a peasant is thus admitted into occupation and is allowed to bring it under cultivation and improve it, it could be sold, bequeathed, mortgaged or inherited by the concerned peasant and his successor.

We would like the above brief observations to be kept in mind in judging the propriety and practicability of the scheme of rights in lands which the Report and we are placing before the public for consideration.

We agree with the Report that peasants whose proprietary right over land is admitted should hold their land as a Trust from the community and for making the best use of it. We are not prepared, however, to restrict their rights only to " permanent and heritable right in cultivation of land " (Para 32).

We agree with the Report that " it has been found by experience that unless the land is owned by tiller, his incentive to production does not reach the optimum point " (para 33) and also that " it would be sheer injustice to maintain a class in agriculture whose primary occupation is non-agricultural ". Therefore we are in favour of endorsing the right of ownership and cultivation for the maximum number of cultivators and preventing as far as possible the divorce between ownership and cultivation of land. At the same time, we do recognise the need, as the Report does, to allow certain categories of owners, such as the disabled, orphans, widows, minors and religious or charitable endowments to lease out their lands subject to certain well-defined statutory prescription of rents.

CHARITABLE AND RELIGIOUS INSTITUTIONS

We are aware of the services rendered by the numerous religious and charitable institutions out of the income of lands endowed to the cause of culture, religion, education and human progress. Considering the fact that these institutions stand altogether on a different footing, the ceiling to land holding and the principle that no non-cultivator should own any interest in land should not be applied to lands belonging to and owned by these institutions, and to all such institutions like trusts for the conduct of schools, orphanages, hospitals, etc., which now exist or which may come into existence hereafter.

There are three types of interest owned by these institutions, particularly in South India ;

- (1) Melvaram rights ; rights to collect the rent from the tenant cultivators, akin to zamindari rights.

- (2) Melvaram and Kudivaram rights ; the land, including the cultivation rights, belongs to the institutions akin to the ryotwari rights ;
 and (3) Minor inams ; the land including the cultivation rights belongs to the institutions or to individuals for the services connected with such institutions, subject to payment of a quit rent.

In respect of the first category, where the institution owns the melvaram rights only, the State may take over the rights and pay to the institution the income therefrom annually in cash and kind ; and such payments should be a charge on the revenues of the State. In respect of categories (2) and (3) the rights of the institution to cultivate should not be disturbed. When such lands are cultivated by the tenants, it should not be open to any such tenants to claim the occupancy right in such lands. This is on the analogy of tenants holding lands belonging to a minor, widow or disabled person, whose status has been defined elsewhere in the Report. The institution or the individual, as the case may be, must, under such circumstances, be taken to be under a disability to cultivate the land personally.

In case, however, this course is not for any reason acceptable, the rights of the institutions or trusts in such lands may be taken over by the State and the institutions paid in grain and cash the annual income which they have been receiving hitherto ; such payment shall be a charge on the revenues of the State.

PAYMENT OF COMPENSATION (Paragraphs 15 and 18 of the Report)

In considering the payment of compensation to peasants for the acquisition of their lands by the Land Commission or anyone else, it is necessary to keep in mind the nature of the rights that the present owners possess over their lands. It is as well to remember that in all the ryotwari areas, peasants possess both the ownership and cultivation rights and their credit-worthiness is today being assessed on the basis of these two sets of rights and indeed, every peasant has till now been ploughing back most of his savings in his land in order to improve its quality, physical properties such as irrigation and drainage facilities, its agricultural equipment and improvement in the very size of the field or holding. This process of improvement and investment of capital, labour and enterprise has been going on for generations. His holding is his main, if not the only, means of his employment, economic freedom and living. Moreover, in his view, his property in land and his cultivation rights over that land are so intermingled as to be inseparable and to him any idea of paying compensation to only one of these two great components of his rights over land becomes incomprehensible and goes against his fundamental conception of social justice.

Therefore we recommend that whenever compensation is sought to be paid to peasants for their lands, it must be calculated in such a way as to fully compensate for all the property and cultivation rights that peasants have to build up.

Even where the Zamindari System of U. P. and Bihar has admitted only the right of rent collection to the Zamindars, and not at all the rights of property and cultivation, the State has found it necessary to pay compensation on the basis of a stated multiple of net-income derived by Zamindars from out of their rent collections.

When rent-collectors whose function is not at all as fundamental as that of peasants who have no rights whatsoever over lands, are being paid such compensation as multiples of net income, it is only fair that peasants who are poorer and who have invested for generations all their savings in their lands and who have borrowed large sums for land improvement on the security of lands and who have possessed for long both the ownership and cultivation rights should be compensated adequately, just as all other properties and rights in all other social sectors* are being compensated.

HOW IS RENT TO BE PRESCRIBED BY LEGISLATION

A fair rent should enable the tenant to realise a fairly satisfactory net income as a reward for all the risks run and special efforts put in the cultivation of that land. The actual quantum of rent, the method of arriving at the calculations of gross produce, costs of cultivation, net income etc. may have to be left to be decided by the Provincial Governments in the light of their local experience and conditions and also in accordance with the changing conditions from one period to another. But it must be possible for any Provincial Government to agree to the principle of equal representation on the Land Tribunals, which are to form a part of the machinery of Land Commission proposed to be established for both the landowners and cultivators, through their Organisation and also to the principle that the rent can only form a part of the net income that is actually realised, or that can be safely estimated to be realised, in the light of the previous six years' experience in the concerned area and never to encroach upon the costs of cultivation.

The higher superstructure of Land Tribunals and other organisations—Districts, Provincial and Central—which are being suggested in the majority report should be built up on the basis of agricultural councils that we are suggesting and not on Village Panchayats.

* Social sectors include agriculture, industry, commerce, professions and services.

Subject to the above observations, we are prepared to suggest to the Provincial Government to take the relevant provisions of Bombay Tenancy Act of 1945 according to which " a maximum rent payable by a tenant for the lease of any land shall not, in case of irrigated land, exceed 1/4, and in the case of any other land, exceed 1/3 of the crop of such land or of its value " (Para 42), as illustrative of the extent of the rent prescribable and payable to the landowners.

We are unable to agree with the Report that all those tenants who have been cultivating any piece of land for 6 years or more should be treated as permanent cultivators. Till now the time-honoured practice accepted by law is to insist upon 12 years of occupation or cultivation of any piece of land before the right of permanency of cultivation is conferred upon tenants. We see no reason to depart from it, especially as such a departure is likely to upset the rights of landowning cultivators who are many times more numerous than the tenants who are likely to be benefited thereby. We are told that the Bombay Legislation has prescribed only 6 years. But that is no reason why all other provinces should be recommended to follow that example.

We are also in favour of immediate steps to be taken to prepare the records of rights of cultivators and to stay ejectments of sub-tenants or tenants-at-will, who have been cultivating for more than 12 years, except on the authority of Land Tribunals which should be expected to investigate into the title, and tenure of cultivation that can be established by the tenants concerned.

We are generally in agreement with the majority recommendation that the protected tenancy may be terminated within a period of 3 years after the passing of the Act if the owner of the land desires to resume it for personal cultivation. But the various conditions suggested by the Report, subject to which such resumption is sought to be permitted, should not be treated as final and decisive provisions to be adopted by Provincial Governments, but only illustrative of the manner by which rights of cultivators are to be reconciled and adjusted for the benefit of the whole class of cultivators.

RIGHT OF LAND-TRANSFER

Regarding the right of peasants to transfer their land to others, the Report has laid too much stress upon the controls to be imposed thereupon. We recognise, as used to be in the past, that there should be certain degree of control over this transference of land. But it should be demonstrably in the interest of the concerned cultivator and also of his class, as otherwise the prescribed authority may prove to be an engine of oppression and the exercise of its authority may unduly depress the prices of land. For instance, we are agreeable to restricting the transference of land only to cultivators

and not to absentee landholders excepting the special categories of owners who are being permitted to let out lands on rent. At the same time, in order to prevent any undue restriction of this right and the consequent depression in the prices of land and the associated credit worthiness of peasants, we feel it is necessary to stipulate that the burden of proof for the claim made by the prescribed authority should rest only upon that authority and the peasants should be free to sell their lands to any one class of cultivators who are listed as being entitled to purchase lands.

We are unable to agree with the Report "that the reasonable value of the rights in land should be determined by the regional Land Tribunal from time to time according to the principle of capitalisation of the net income on the basis of the current rate of interest" (Para 35). The Land Tribunal may prescribe minimum prices of land in the interest of peasants and no more. Subject to this minimum, land values should be allowed to be fixed in the open market. That is, it is the interests of the cultivating owners which should be considered to be of first importance. If it is intended to enable small-holders to purchase small pieces of adjacent lands in order to make their holdings more economic, what ought to be done is that the State should offer some suitable subsidies, as is done in some Scandinavian countries, and also advance long-term credit at low rates of interest repayable over a period of years through Land Mortgage Banks and not do anything to depress the prices in general of all lands by imposing too many restrictions upon the transference of land. (Reference paragraph 35 of the Report).

CROP PLANNING AND CONTROLLED AGRICULTURE

We agree with the Report that land is a social asset and the cultivator is more or less a Trustee of the social asset. We are also keen that certain minimum standards of efficiency in cultivation should be prescribed from time to time and for different regions according to local conditions and facilities provided by the State. But it is too drastic a remedy to prescribe as the Report does, that "if he fails to discharge the obligation of the Trust, it is only reasonable that he should be divested of the Trust". So long as the State is unable to provide not only compulsory and free elementary education but also the minimum degree of special training in agriculture and to bring to the very doors of peasants the latest results of agricultural research and enable them to obtain the necessary minimum equipment to make good husbandry possible, it is highly dangerous to create such a right of removing cultivator from the ownership or cultivation rights of his land on the one-sided demand that he fails to "satisfy the test of efficiency of production" (Para 36).

We are anxious that every possible precaution should be taken to provide the necessary checks and balances against any misuse of wide powers that are sought to be conferred upon the Land Commission, the regional authority, the Village Panchayat and the Agricultural Council which we are suggesting

below. While we are in favour of a certain degree of control in agriculture and of a system of overall national, provincial, district and regional Crop Planning, we are anxious that such Crop Planning should not make peasants feel that in regard to every minute detail of their own crop economy on the whole of their holdings, there is excessive interference or regimentation. Indeed the conditions of seasons, pests, etc., subject to which Crop Planning in any holding or a village and within a region has to be decided upon, go on varying in such a kaleidoscopic manner that for not more than 50 per cent. of land of any cultivator should any prescribed crop economy be imposed and the cultivator should be left free to varying his crop economy according to the local conditions on at least 50 per cent. of his holding. But he may be expected to notify whatever alterations he is obliged to make. It is essential for the success of crop planning and controlled agricultural economy that an equilibrium should be sought to be reached constantly between the right of society for minimum supplies of stated agricultural produce and personal initiative in extracting the most varied and maximum production of different crops.

We agree with the Report that conversion of lands to non-agricultural use should not be made without sanction of "the prescribed authority" (para 38). The construction of houses for living quarters of the peasant and his family and also for storage of produce and agricultural stock and for cattle-sheds and hay-stacks, etc., which are all needed for efficient agriculture, will no doubt be classified as non-agricultural.

AGRICULTURAL COUNCILS

The Report has taken for granted that the village community and the local agricultural community would more or less approximate to each other and has failed to realise the possibility in the near future of a growing proportion of the rural population including present-day landless peasants taking to non-agricultural occupations, including arts and crafts and agro-industries and to employment in large-scale industries as they come to be dispersed. Our colleagues are aware that it is desirable that more and more of the rural folk should be induced to leave the land and take to non-agricultural employment. When this comes about, it is but natural that the cultivators as a whole may come to be not more than 50 per cent. of the total population in most of the villages. It would not then be in the interests of those engaged in the agricultural economy to entrust the varied functions, the Report envisages, to the Village Panchayat whose interests may then come to be very largely non-agricultural, and in some cases, even anti-agricultural. We are, therefore, anxious that instead of there being one Organisation in the villages like Village Panchayat both for civic purposes and for the specific purpose of controlling, planning and improving agriculture, there should be two statutory bodies namely, the Village Panchayat for civic purposes and the Agricultural Council for agricultural purposes. Such an Agricultural Council should be

accepted as a primary unit upon which the proposed regional authority and Land Commission are to be built up. Unless this distinction is made and Agricultural Councils alone are entrusted with the task of improving agriculture under the authority of Land Commission, we are afraid that the interests of cultivators are likely to be jeopardised (Paras 37-39).

On the proposed Village Agricultural Council, all the cultivators, whether they be owners of lands or tenants or members of Co-operative Farms, should be entitled to become members (Para 41).

REVENUE ASSESSMENT

Regarding the proposal to entrust Revenue collection to Village Panchayat, we wish to sound a note of caution that the Village community should not be empowered to vary the assessment in satisfaction of any factious spirit and individual preferences, and also the manner of collection of local taxes from group to group and person to person. It is therefore necessary to have a more or less uniform Provincial or District system of assessment and collection and the Village Headman and Accountant, wherever they have so far formed a part of the administration, should continue to be utilised for this purpose, but under the general supervision of Village Panchayat and without any interference in the day to day discharge of their duties.

APPENDICES

APPENDIX A

Table showing attendance of Members at A.R.C. Meetings

<i>Member</i>	<i>1st Meeting— Delhi 28th Feb. '48 to 1st March 1948. Total No. of Sittings—5</i>	<i>2nd Meeting— Delhi 20th May '48 to 2nd June 1948. Total No. of Sittings—6</i>	<i>3rd Meeting— Cuttack 16th Sept. '48. Total No. of Sittings—2</i>	<i>4th Meeting— Delhi 25th Feb. '49 to 1st March '49. Total No. of Sittings—10</i>	<i>5th Meeting— Delhi 14th May '49 to 23rd May '49 Total No. of Sittings—18</i>	<i>Percentage Attendance. (Grand Total of Sittings 41)</i>
Shri J. C. Kumarappa, <i>Chairman</i>	5	6	2	10	18	100
Shri O. P. R. Reddiar	4	6	×	×	18	68.5
Prof. N. G. Ranga	5	×	2	×	7	34.1
Prof. M. L. Dantwala	×	6	×	10	13	70.7
Shri P. P. Varma	4	6	×	6	5	51.2
Shri S. Das Gupta	5	6	2	×	9	53.7
Shri Ameer Raza	×	5	×	10	5	48.7
Shri T. V. Raghavulu	×	5	2	10	12	70.7
Shri K. Mitra, <i>Secretary</i>	5	6	2	10	18	100

APPENDIX B

Table showing the Panel of A.R.C. Members who toured the various Provinces

<i>Member</i>	<i>C. P.</i>	<i>Bombay</i>	<i>Assam</i>	<i>West Bengal</i>	<i>Orissa</i>	<i>Behar</i>	<i>Madras</i>	<i>U. P.</i>
Shri J. C. Kumarappa, <i>Chairman</i>	1	1	1	1	1	1	1	1
Shri O. P. R. Reddiar	×	×	×	×	×	×	2	×
Prof. N. G. Ranga	×	×	×	×	×	×	3	×
Prof. M. L. Dantwala	×	2	2	2	×	×	4	2
Shri P. P. Varma	×	×	×	×	×	×	×	×
Shri S. Das Gupta... ..	×	3	3	3	×	2	×	×
Shri Amcer Raza	2	×	×	×	×	×	5	3
Shri T. V. Raghavulu	×	×	×	×	×	3	6	4
Shri K. Mitra, <i>Secretary</i>	3	4	4	4	2	4	7	5

Shri Harsh Deo Malaviya, Assistant Secretary and Shri P. H. Seshan accompanied the Committee in all the Provinces.

APPENDIX C
QUESTIONNAIRE

Q. 1. Describe the various systems of land tenure in your province as now are and would be after Zamindari Abolition and state the extent of land held at present under each of the systems.

Q. 2. State the various kinds of interests below ryot and their degree of importance in number and the extent of land held by each of them.

Q. 3. (A) What are the existing rights and obligations of ryots, under-ryots, share-croppers and agricultural workers in relation to :

- (i) Determination, enhancement, abatement and remission of rents,
- (ii) Settlement of rents in the first instance—the time and manner of enhancement or reduction by suits in the Courts or in settlement proceedings.
- (N.B.—If there are any sub-ryots who take land on lease from those ryots who hold it directly from the Government or Panchayat, whatever payment in kind or cash they make to the ryots is to be considered as “rent” for the purpose of this questionnaire.)
- (iii) Should there not be Land Tribunals with equal number of representatives of ryots and sub-ryots for settling fair and equitable rent and adjusting other relations between them.
- (iv) The incidence of rent—what proportion of actual gross production is being paid as rent—whether rents in general are heavy and should be reduced.
- (v) Making improvements and getting compensation specially in case of under-ryots.
- (vi) Procedure for recovery of arrears of rents.
- (vii) Conditions governing tenure and ejectment.
- (viii) Permanency, heritability and transferability of tenants' rights.
- (ix) The average area of land held by each category of cultivators.
- (B) What changes do you propose in respect of the above rights and obligations now that Zamindari System is being abolished—specially in respect of transfer, sub-letting and share-cropping?

Q. 4. Is it possible to have only one category of ryots? If so, how do you propose to achieve it?

TYPES OF FARMING

Broadly speaking there can be the following types of farming :

- (i) Individual unit worked with family labour and casually employed hired labour.
- (ii) Co-operative farm in which ownership of land is retained by the individuals concerned but managed co-operatively.
- (iii) Collective farm in which the peasant community concerned or a group of peasants have no rights of individual ownership and the ownership of all land vests in that community.
- (iv) A State farm would be organised on State lands.

Q. 5. (A) (a) What are the possibilities in your province for the development of farms defined as a Co-operative farm, a Collective farm and a State farm within the next five or ten years?

(b) How do you propose to make the individual farming unit referred to above a more efficient and productive element in our agricultural economy?

(c) By what steps can the individual farmer referred to above be induced or helped to join a Co-operative farm?

(d) Should not the development of co-operative farming be dependent upon its proved efficiency and superiority over individual farming?

(B) (a) What is the present policy of your Government regarding the utilisation of :

- (i) Government-owned cultivable waste,
- (ii) Unoccupied lands, wastes and forests acquired from Zamindars,
- (iii) The surplus lands to be acquired from or surrendered by big landholders,
- (iv) Reclamation of the present uncultivable lands, and
- (v) What are the anti-erosion measures taken or to be taken?

(b) What are the respective extents of such different kinds of lands?

(c) Should the Government lands be utilised for organising State farms or Collective farms or both?

Q. 6. (a) What do you consider should be the size of an *Economic Holding*?

- (i) *Economic Holding*.—Let us assume that a holding to be economic must provide a surplus on the ascertained costs of pro-

duction, sufficient to provide security for lean years and for fluctuations in market prices and a fair standard of living for the cultivator and his dependants and fair wages to agricultural labourers and contribution to insurance funds.

(ii) In fixing the size of a holding the idea of Balanced Cultivation and Regional Self-Sufficiency (ref. : Congress Economic Programme Committee's Report) should be kept in view and holding means the total land held by a cultivator.

(iii) Please explain precisely what do you consider a fair standard of living for a cultivator or an agricultural labourer in regard to food, clothing, housing and other necessities and amenities of life.

(iv) What size of holding can a good pair of bullocks plough?

(v) What size of holding can an average cultivator and his family cultivate efficiently with or without hired labour?

(b) What should be the maximum size of a holding per family of working adult?

(c) How many times the size of the Economic Holding should be the size of maximum holding?

Q. 7. (a) Should not those individuals owning the maximum extent or above be prevented from acquiring any more land?

(b) Should not the sales of land over and above the economic holding of any one be limited to those who have less than economic holdings?

(c) What price should be paid—and on what basis—for all surplus lands to be acquired from those having more than the maximum holding?

(d) Do you advocate the creation of an impartible economic holding and what measures do you suggest for maintaining such a unit?

Q. 8. (a) Should the co-operative method be compulsory in respect of credit, marketing, consolidation of holdings and purchase of seeds, manures and other agricultural requirements, if majority of cultivators agree to it?

(b) If so, should it not be through the multi-purpose Co-operative society?

(c) (i) Have any measures been adopted to restrict sub-division and fragmentation of holdings? If so, with what result?

(ii) Have any measures been adopted to promote consolidation of holdings? If so, with what results?

(iii) What measures do you propose for consolidation of holdings?

(d) Is it possible for your Government to reserve a part of compensation money given to the Zamindars for investment at a prescribed rate of interest in a co-operative society to ensure adequate supply of cheap rural credit?

Q. 9. Co-operative Farming

(i) What is your estimate of the size of a co-operative farm? What technique and management would you adopt in working co-operative farms?

(ii) How would you initially form a co-operative farm? Whom would you admit to the membership of the co-operative farm? Would it be possible to admit landless labourers to the membership of co-operative farms?

(iii) If so, on what conditions?

(a) Would you permit the member of a co-operative farm to resign his membership?

(b) If so, under what conditions?

(c) Will he be entitled to the return on land, implements, cattle, capital etc., initially contributed to or to compensation?

(d) Would you provide any priority in payments to be made on account of land, capital, labour and other contributions?

(e) Indicate the methods of computing compensation.

(iv) Do you contemplate that under certain conditions, a person could be expelled from membership? If so, give details.

(v) What are your proposals to make admission to the co-operative farms attractive for substantial cultivators?

(vi) What method would you suggest for providing management and auditing of accounts for these farms? Will you provide any collective system? If so, please give full details of the powers and working of plenary meeting and the executive committee?

(vii) What assistance do you think Government should provide in the shape of:—

(a) implements and animals,

(b) scientific and technical skill, and

(c) finance,

and what control and powers the Government should have over these farms in the interest of efficient and democratic management?

(viii) (a) What method would you adopt in distributing the produce of the co-operative farms? What would be the basis of payment to workers? Would you adopt payment on the basis of work days or productivity? What provisions, if any, would you like to make for—

- (i) reserve fund,
- (ii) increasing common amenities,
- (iii) improvement of the farm, and
- (iv) workers' share.

(b) Do you propose to allow out of total co-operative, collective or state holding any land by way of allotment for the exclusive use of individual members?

(ix) What measures do you propose to popularise and encourage the establishment of co-operative farms?

(x) Should not the co-operative farms be taxed in the same way as other similar institutions?

Q. 10. (i) What is your estimate of the number of persons now subsisting on land who are likely to be displaced, if the overall changes suggested above are given effect to? How would you absorb them by development of suitable cottage industries—auxiliary, processing and consumers' goods?

(ii) Has your province adequate number of artisans such as blacksmiths, carpenters, masons, leather-workers, potters needed to attend adequately to the agricultural needs? Are they sufficiently trained and skilled and if not, what scheme do you propose to raise their efficiency, earnings and status?

Q. 11. (i) Should not a minimum price for agricultural produce be assured? What machinery should be established for the purpose?

(ii) Should there not be parity between prices of non-agricultural products and services and agricultural products and services? In what way such parity may be attained and maintained?

(iii) Should not each village try to raise to the maximum possible extent raw materials for consumers' goods needed by the local people consistent with the extent and quality of land of the village?

(iv) Is it not advisable for the Government to restrict exports of food and raw materials from a village or a group of villages to proved surpluses?

Q. 12. (i) What steps do you propose to relieve the burden of indebtedness of landed peasants as well as agricultural workers? To what extent have the Provincial Debt Relief Legislation and the present rise of agricultural prices lightened the burden of such indebtedness?

(ii) Do you suggest the advisability of introducing "control credit" only to be made available to peasants through functional supplies in kind such as manures, cattle, building materials, implements and other producers and consumers' goods through multiple co-operative society?

Q. 13. (i) How soon can your province give effect to the provisions of the Minimum Wages Act, relating to agricultural workers? What special

steps your government should adopt in order to settle disputes and establish harmonious relations between land-owning peasants, ryots and agricultural workers ?

(ii) Should agriculture be regarded as a Public Utility Industry and should strikes and lock-outs in the industry be allowed ?

(iii) What steps have been so far taken and with what success to put down "forced labour" ? What additional steps do you now propose to be taken in this regard ?

Q. 14. There are generally four types of agriculturists :

- (i) surplus producers to whom agriculture is a profitable concern,
- (ii) self-sufficient producers whom agriculture keeps fully employed ,
- (iii) inadequate producers to whom though agriculture is the main source of employment yet not paying enough to make both ends meet,
- (iv) token producers to whom income from their own lands is not the main means of living.

Indicate how the State can assist agriculturists referred to in (iii) and (iv) in getting full employment in agriculture and cottage industries and agriculturists referred to in (i) and (ii) in the enjoyment of their rights and in the discharge of their obligations to State and society.

Q. 15. Should it not be one of our main aims to raise the educational levels (general and technical) of agriculturists and thus raise their efficiency ? How soon would your Government be able to organise a net-work of agricultural middle and high schools and refresher courses and colleges ?

✓Q. 16. (i) Should there not be a direct tax on agriculture to replace the existing "rent" (as understood under Zamindari system) or land revenue ? If so, should it be a progressive income-tax on agricultural income ? If not, what other alternative method of taxing agricultural incomes do you propose ? Should not holdings smaller than an economic holding be exempted from such a tax ? Should not such a tax be progressively graded ?

(ii) How far will it be possible to realise all dues payable to co-operatives and village panchayats by cultivators in terms of produce only ?

Q. 17. What steps have your Government so far taken or propose to take for :

- (i) Improvement of cattle-breeding and fighting cattle epidemic and increasing the production of fodder by reservation of some area for pasturage, tree planting and afforestation ?

- (ii) River management, multi-purpose project, irrigation, contour bunding, famine prevention, drainage, cheap electricity, canal navigation, etc.?
- (iii) Increasing total food production by way of fruit gardens, vegetables, pisciculture, bee-hiving, sheep rearing, deep sea fishing, poultry, dairy farming?

STATISTICS

Please supply statistical information under the following heads :

- (1) Area under cultivation and cultivable wastes.
 - (2) Area held by ryots and under-ryots under cultivation and the average incidence of their rents.
 - (3) Statement of total agricultural population, landless agricultural labourers and the average area per head or per family of land-holding agriculturists.
 - (4) Distribution of area held by agriculturists—percentage of families with less than 2 acres, 2 to 5 acres, 5 to 10 acres, 10 to 20 acres, 20 to 30 acres and 30 acres and above. (For rough and ready comparison one acre of wet land may be considered as equivalent to 2 acres of dry land.)
 - (5) Percentage of families living mainly as share-croppers (on batai or barga system) and agricultural labourers.
 - (6) Percentage of lands cultivated by family members or ryots or under-ryots, by share-croppers and by agricultural labourers.
 - (7) Passage of agricultural land from the hands of actual cultivators into those of non-agriculturists.
 - (8) What are irrigated and non-irrigated acreages in your province?
 - (9) What schemes and projects are on foot for increasing green and farm-yard manures, making of silage, composts out of waste and for utilisation of chemical manures?
 - (10) What steps do you suggest for bringing more effectively to the notice of peasants the results of scientific experiments and better methods of cultivation? Do you not think that Kisan Congress and other popular organisations should be specially utilised by Government in this connection?
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APPENDIX D

THE ITINERARY

(Showing the districts, and villages visited by the A.R.C. for the examination of witnesses and peasants and the distance covered)

S. No.	C. P. & BERAR		Mileage	Date
1.	Delhi to Nagpur	By Train	679 miles	21- 6-1948
2.	Nagpur to V. Ramtek in Nagpur dist., & back to Nagpur	By Car	70 miles	25- 6-1948
3.	Nagpur to village Mansodar in Nagpur dist. & back to Nagpur	,,	14 miles	28- 6-1948
<i>BOMBAY</i>				
4.	Nagpur to Bombay	By Train	520 miles	30- 6-1948
5.	Bombay to Bulsar in Surat district	,,	121 miles	4- 7-1948
6.	Bulsar to villages in Bulsar taluka of Surat district			
	(i) Bulsar to Lilapur, Ambraha, Bhandeli and back to Bulsar	By Car	20 miles	4- 7-1948
	(ii) Bulsar to Ronvillee & back to Bulsar.	,,	34 miles	4- 7-1948
7.	Bulsar to Bombay	By Train	121 miles	4- 7-1948
8.	Bombay to Poona	By Car	120 miles	7- 7-1948
9.	Poona to village Kothrud in Poona dist. & back	,,	15 miles	7- 7-1948
10.	Poona to Bombay	,,	120 miles	7- 7-1948
11.	Bombay to Delhi	By Train	861 miles	7- 7-1948
<i>ASSAM</i>				
12.	Delhi to Calcutta	By Train	902 miles	10- 7-1948
13.	Calcutta to Gauhati	By Train & Steamer	478 miles	12- 7-1948
14.	Gauhati to V. Rampur of Kamrup dist. & back	By Car	40 miles	15- 7-1948
15.	Gauhati to Tezpur in Darrang dist.	By Car & Steamer	119 miles	16- 7-1948
16.	Tezpur to Misamari in Darrang dist. & back	By Car	70 miles	16- 7-1948
17.	Tezpur to Shillong	,,	163 miles	17- 7-1948
18.	Shillong to Calcutta Via Pandu	By Car, Steamer & Train	540 miles	19-7 -1948
<i>WEST BENGAL</i>				
19.	Calcutta to Dakhin Jhaparda in Howrah dist., & back	By Jeep	18 miles	20- 7-1948
20.	Calcutta to Burdwan & back	By Car	134 miles	24- 7-1948
21.	Calcutta to Delhi	By Train	902 miles	25- 7-1948
<i>ORISSA</i>				
22.	Delhi to Cuttack Via Calcutta	By Train	1156 miles	8- 9-1948
23.	Cuttack to Puri	,,	56 miles	13- 9-1948
24.	Puri to village Chandanpur in Puri dist., & back	By Car	16 miles	13- 9-1948
25.	Puri to Chatrapur	By Train	105 miles	13- 9-1948
26.	Chatrapur to villages in Ganjam district	By Car		
	(i) Chatrapur to Chammakhandi	,,	11 miles	14- 9-1948
	(ii) Chammakhandi to Bhatkumarada.	,,	9 miles	14- 9-1948
	(iii) Bhatkumarada to Chatrapur	,,	12 miles	14- 9-1948
	(iv) Chatrapur to Santoshpur	,,	13 miles	14- 9-1948
	(v) Santoshpur to Humma	,,	10 miles	14- 9-1948

S. No.			Mileage	Date
27.	Humma to Cuttack	... By Train	100 miles	15- 9-1948
	<i>BIHAR</i>			
28.	Cuttack to Ranchi Via Howrah and Gomoh	... By Train & Car	500 miles	16- 9-1948
29.	Ranchi to villages in Ranchi district	By Car		
	(i) Ranchi to Raghunathpur	...	25 miles	19- 9-1948
	(ii) Raghunathpur to Chandu	...	13 miles	19- 9-1948
	(iii) Chandu to Jangi	...	3 miles	19- 9-1948
	(iv) Jangi to Ranchi	...	40 miles	19- 9-1948
	(v) Ranchi to Peloul & back to Ranchi	...	58 miles	20- 9-1948
30.	Ranchi to villages in Hazaribagh district.	By Car		
	(i) Ranchi to Ramgarh	...	28 miles	21- 9-1948
	(ii) Ramgarh to Bundu & back	...	24 miles	21- 9-1948
	(iii) Ramgarh to Murpa	...	12 miles	21- 9-1948
	(iv) Murpa to Hazaribagh	...	26 miles	21- 9-1948
31.	Hazaribagh to Aurangabad	...	100 miles	21- 9-1948
32.	Aurangabad to Gaya	...	52 miles	21- 9-1948
33.	Gaya to Patna	... By Train	96 miles	22- 9-1948
34.	Patna to villages in Patna district	By Car		
	(i) Patna to Sadiqpur	...	15 miles	23- 9-1948
	(ii) Sadiqpur to Amhara	...	15 miles	23- 9-1948
	(iii) Amhara to Jamunapore	...	5 miles	23- 9-1948
	(iv) Jamunapore to Patna	...	25 miles	23- 9-1948
35.	Patna to Delhi	... By Train	564 miles	23- 9-1948
	<i>MADRAS</i>			
36.	Delhi to Madras	... By Train	1361 miles	
37.	Madras to villages in Chingleput district.	By Car		
	(i) Madras to Poonamallee & back to Madras	...	25 miles	23-11-1948
	(ii) Madras to Madhavaram	...	15 miles	25-11-1948
	(iii) Madhavaram to Red Hills	...	15 miles	25-11-1948
	(iv) Red Hills to Madras	...	30 miles	25-11-1948
38.	Madras to Calicut	By Train	414 miles	25-11-1948
39.	Calicut to villages in S. Malabar district.			
	(i) Calicut to Kovur Amsam in Villi- paramb Desam	...	7 miles	28-11-1948
	(ii) Kovur Amsam to Cherukollathur Amsam & Desam	...	2 miles	28-11-1948
	(iii) Cherukollathur Amsam to Peru- vayil Amsam in Cheruppa Desam	...	2 miles	28-11-1948
	(iv) Peruvayil Amsam to Calicut	...	11 miles	28-11-1948
40.	Calicut to Madras	By Train	414 miles	28-11-1948
41.	Madras to Mayavaram	...	174 miles	29-11-1948
42.	Mayavaram to villages in Mayavaram taluka of Tanjore district	By Jeep		
	(i) Mayavaram to Elantangudi	...	3 miles	30-11-1948
	(ii) Elantangudi to Kozhayurcheri	...	6 miles	30-11-1948

The Committee then divided in two parties

Ist Party.—

(iii)	Kozhayur to Agaramanakkudi	... By Jeep	14 miles	30-11-1948
(iv)	Agaramanakkudi to Manakkudi...	...	3 miles	30-11-1948
(v)	Manakkudi to Uluthakuppai	...	6 miles	30-11-1948
(vi)	Uluthakuppai to Mayavaram	...	9 miles	30-11-1948

IInd Party.—

(vii)	Kozhayur to Bandanallur	... By Jeep	6 miles	30-11-1948
(viii)	Bandanallur to Aduthurai	...	5 miles	30-11-1948
(ix)	Aduthurai to Velathitti	...	4 miles	30-11-1948
(x)	Velathitti to Mayavaram	...	12 miles	30-11-1948

S. No.			Mileage	Date
43.	Mayavaram to Madras	... By Train	174 miles	30-11-1948
44.	Madras to Bezwada	... ..	268 miles	1-12-1948
45.	Bezwada to villages in Krishna district	By Car		
	(i) Bezwada to Guntuppalli	... ..	7 miles	2-12-1948
	(ii) Guntupalli to Ibrahimhattam	... ..	9 miles	3-12-1948
	(iii) Ibrahimhattam to Bezwada	... ..	16 miles	3-12-1948
46.	Bezwada to Delhi	... By Train	1093 miles	3-12-1948

UNITED PROVINCES

47.	Delhi to Lucknow	... By Train	304 miles	13- 1-1949
48.	Lucknow to Barabanki	... By Car	17 miles	18- 1-1949
49.	Barabanki to villages in Barabanki district	By Car		
	(i) Barabanki to Jehangirabad	... ..	8 miles	18- 1-1949
	(ii) Jehangirabad to Parhali	... ..	18 miles	18- 1-1949
	(iii) Parhali to Barabanki	... ..	13 miles	18- 1-1949
50.	Barabanki to Lucknow	... By Car	17 miles	18- 1-1949
51.	Lucknow to Gorakhpur	... By Train	173 miles	19- 1-1949
52.	Gorakhpur to villages in Gorakhpur & Deoria dist.	By Car		
	(i) Gorakhpur to Jagdishpur	... ..	13 miles	20- 1-1949
	(ii) Jagdishpur to Siswa alias Malpur.	... ..	1 mile	20- 1-1949
	(iii) Siswa alias Malpur to Ramdiha	... ..	2 miles	20- 1-1949
	(iv) Ramdiha to Kasia, Deoria dist.	... ..	18 miles	20- 1-1949
	(v) Kasia to Gorakhpur	... ..	34 miles	20- 1-1949
53.	Gorakhpur to Allahabad	... By Train	212 miles	20- 1-1949
54.	Allahabad to villages in Allahabad dist.	By Car		
	(i) Allahabad to Jaitwardih	... ..	6 miles	21- 1-1949
	(ii) Jaitwardih to Parsadpur	... ..	10 miles	21- 1-1949
	(iii) Parsadpur to Kaurihar	... ..	11 miles	21- 1-1949
	(iv) Kaurihar to Allahabad	... ..	13 miles	21- 1-1949
	(v) Allahabad to Bamrauli	... ..	6 miles	21- 1-1949
	(vi) Bamrauli to Bekha (Puramufti)	... ..	7 miles	21- 1-1949
	(vii) Bekha Puramufti to Allahabad.	... ..	13 miles	21- 1-1949
	(viii) Allahabad to Rampur	... ..	12 miles	22- 1-1949
	(ix) Rampur to Allahabad	... ..	12 miles	22- 1-1949
	(x) Allahabad to Naini Agri. Institute & back to Allahabad	... ..	12 miles	22- 1-1949
55.	Allahabad to Mauranipur via Manikpur...	By Train	200 miles	22- 1-1949
56.	Mauranipur to Danaur & Nanwar Co-operative Farms in Jhansi dist.	By Car	77 miles	22- 1-1949
57.	Danaur to Lalitpur	... ..	33 miles	22- 1-1949
58.	Lalitpur to Delhi	... By Train	311 miles	22- 1-1949
59.	Delhi to Meerut	... ..	42 miles	22- 1-1949
60.	Meerut to villages in Meerut District	By Car		
	(i) Meerut to Kharkhauda & back to Meerut	... By Car	12 miles	23- 1-1949
	(ii) Meerut to Latifpur (Ganga Khadar) via: Village Kathaur and back to Meerut	... ..	46 miles	23- 1-1949
61.	Meerut to Delhi	... By Car	42 miles	23- 1-1949

14,037 miles

APPENDIX E

List of Witnesses who Deposed before the A.R.C.

CENTRAL PROVINCES AND BERAR

23—6—1948

1. Shri V. K. Soman, Mehkar, Berar.
2. Shri Ramadhar Dubey, President, Tehsil Agricultural Co-operative Association, Sihora, district Jubbulpore.
3. Shri N. L. Diwanjee, Secretary, Taluq Congress Committee, Chanda.
4. Shri Hari Ram Misra, Settlement Commissioner, C.P.
5. Shri R. G. Chaurey, o.s.d., Revenue Department, C.P. Government.
6. Shri Biharilal Patil, M.L.A., Betul, C.P.
7. Shri Narain Bapuji Patil, Kalwad, Taluq Chikhli, district Buldana.

24—6—1948

8. Shri P. D. Nair, Director of Agriculture, C.P.
9. Shri Mangrulkar, Director of Veterinary Services, C.P.
10. Shri K. A. N. Rao, Director of Industries, C.P.
11. Shri V. S. Jha, Director of Public Instruction, C.P.
12. Shri P. K. Sen, Labour Commissioner, C.P.
13. Shri K. R. Minocha, Superintending Engineer, Electricity Dept.
14. Shri Roy, Chief Engineer, P.W.D., C.P. and Berar.

25—6—1948

15. Shri G. S. Mukhtiyar, Registrar of Co-operative Societies, C.P.
16. Shri B. N. Wankhade, Chairman, District Council, Nagpur.
17. Shri Abdur Razaq, M.L.A., Advocate, Nagpur.

26—6—1948

18. Rao Bahadur Shri Chotelal Verma, Retired Deputy Commissioner, Dhantoli, Nagpur.
19. Shri Jhaveribhai Patel, Director of Cottage Industries, C.P.
20. Shri Mahant Laxmi Narayan Das, M.L.A., Raipur, C.P.
21. Shri Beohar Rajendra Singh, M.L.A., Jubbulpore.
22. Shri Ganpat Rao Dani, Malguzar, Raipur.
23. Shri Kishanlal Goenka, Akola, Berar.
24. Shri Ghanshyam Singh, Gupta, Speaker, Legislative Assembly, C.P.

28—6—1948

Shri Ghanshyam Singh Gupta's examination continued.

25. Shri K. N. Nagarkatti, (formerly I.C.S., and Ex-Development Secretary, C.P. Government and Registrar, Co-operative Societies), Nagpur.
26. Shri D. R. Mohorikar, Ganeshpura, district Balaghat.
27. Shri P. S. Patil, M.L.A., Chikhli, district Buldana.
28. Dr. Punjab Rao Deshmukh, Amraoti.

29—6—1948

29. Shri N. K. Dharmadhikari, Karpa, district Betul.
30. Shri N. P. Srivastava, Secretary to Government, Revenue Department.
31. Shri H. S. Kammath, I.C.S., Commissioner, Berar, formerly Secretary to the Government of C.P., Food Department.
32. Shri Raghunath Singh Kiledar, Kareli, Narasinghpur.
33. Shri M. P. Kalhe, Chairman, District Council, Yeotmal.
34. Shri D. K. Kane, President, Iزارadars' Association, Yeotmal.
35. Shri M. S. Kannamwar, President, Nagpur P.C.C., Nagpur.
36. Shri K. P. Pande, M.L.A., Sihora.

30—6—1948

37. Shri M. P. Subedar, Taku, P.O. Kesla, Hoshangabad.
38. Dr. D. W. Kathaley, Advocate, Civil Lines, Nagpur.
39. Shri Y. S. Athalye, Pleader, Dhantoli, Nagpur.
40. Shri W. G. Wasalwar, Circle 7, Walker Road, Nagpur.

BOMBAY

1—7—1948

41. Shri S. G. Barve, I.C.S., Collector, Poona.
42. Shri U. M. Mirchandani, I.C.S., Commissioner, Ahmedabad.
43. Shri T. T. Kothawala, C.I.E., Settlement Commissioner and Director of Land Records, Poona.

2—7—1948

44. Dr. B. N. Uppal, Director of Agriculture, Poona.
45. Shri G. M. Sankpal, Director, Bureau of Economics and Statistics, Civil Supplies Department, Bombay.
46. Shri B. P. Patel, Registrar of Co-operative Societies and Director of Agricultural Marketing and Rural Finance, Poona.
47. Capt. S. P. Mohite, Collector, Ratnagiri.
48. Shri N. K. Dravid, I.C.S., Secretary to Government, Labour Dept., Bombay.

3—7—1948

49. Shri R. G. Saraiya.
50. Shri B. D. Lala, Secretary, Gujerat P.C.C., Ahmedabad.
51. Shri Maganbhai R. Patel, M.L.A., c/o. Gujerat P.C.C.
52. Prof. C. N. Vakil, Bombay.
53. Dr. M. B. Desai, University School of Economics, Bombay.

5—7—1948

54. Shri L. B. Jagalpure, Ahmednagar.
55. Sir Manilal B. Nanavati, President, Indian Society of Agricultural Economics.

6—7—1948

56. Shri D. K. Kunte, Parliamentary Secretary, Home and Revenue.
57. Shri K. F. Patil, Parliamentary Secretary, Revenue.
58. Prof. D. R. Gadgil, Gokhale Institute, Poona.
59. Shri Morarji R. Desai, Minister for Revenue.
60. Shri Vaikunth Bhai Mehta, Minister for Finance.
61. Shri M. P. Patil, Minister for Agriculture.
62. Shri V. N. Sardesai, Secretary to the Government of Bombay, Revenue Department.
63. Shri P. S. Hosmani, Haveri, District Dharwar.

} Examined
together.

ASSAM

At Gauhati

14—7—1948

64. Shri Umakant Goswami, Professor of Economics, Cotton College, Gauhati.
65. Shri Jagdish Chandra Mehdi, M.A., B.L., Gauhati.
66. Shri Kamakhyaaram Barooah, B.L., Bar Library, Gauhati.
67. Shri Dinanath Mehdi, Advocate, Bar Library, Gauhati.
68. Shri Purandhar Sharma, M.L.A., Mangaldoi.
69. Shri Haldhar Bhuyan, M.L.A., Nowgong.
70. Shri D. Rajkhowa, President, District Congress Committee, Golaghat.
71. Shri A. K. Mitra, Director of Veterinary Services, Assam Government, Gauhati.

15—7—1948

72. Shri Shyama Prasad Chakraverti, Pleader, Dhubri.
73. Shri Dandesar Gogoi, Lecturer in Economics, Cotton College, Gauhati.
74. Shri Hareshwar Goswami,
Shri Debkanta Barooah,
Shri Lakhi Prasad Goswami,

} Assam Socialist Party, Gauhati.

75. Shri Kuladhar Chaliha, M.C.A., Jorhat.
76. Shri Bishnu Prasad Chaliha, District Congress Committee, Sibsagar.
77. Shri Subodh Kumar Talapatra, Physiological Chemist, Khanapara, Gauhati.
78. Shri J. N. Das, Under Secretary to Government, Revenue Dept., Shillong.

At Tezpur

79. Shri B. C. Bhagvati, M.L.A., Tezpur.
80. Shri Mahadeva Sarma, Chairman, Local Board, Tezpur.
81. Shri Kamakhya Prasad, Tripathi, Darrang College, Tezpur.

At Shillong

18—7—1948

82. Shri S. P. Desai, Chief Secretary, Government of Assam, Shillong.
 83. Shri R. C. Woodford, Director of Agriculture.
 - Shri L. K. Handique, Addl. Director of Agriculture.
 - Shri L. N. Phukan, Agricultural Chemist.
 - Shri N. K. Das, Assistant to Additional Director.
- } Examined
together.
84. Shri T. T. S. Hayley, Director of Cottage Industries, Shillong.
 85. Shri K. N. Majumdar, Director of Land Records, Shillong.
 86. Shri S. J. Duncan, Secretary to Government, Revenue Department, Shillong.
 87. Shri Sidhi Nath Sharma, Secretary, P.C.C., Gauhati.
 88. Shri Lakheswar Baruah, Speaker, Assam Legislative Assembly.
 89. Shri D. C. Das, Development Commissioner for Assam, Shillong.
 90. Shri R. Chandra, I.E.S., Chief Engineer, Assam, Shillong.
 91. Shri Sitaram Sharma, Deputy Director of Rural Development, Gauhati.
 92. Shri G. C. Goswami, Chief Electrical Adviser, Shillong.

19—7—1948

93. Shri Jitendralal Goswami, Secretary, Karimganj Sub-Divisional Congress Committee, Karimganj, Assam.
94. Shri Dharendra Kumar Gupta, c/o. Cachar District Committee, Silchar, Assam.
95. Shri Debeswar Sarma, President, Assam P.C.C., Gauhati.
96. Shri Santosh Kumar Baruah, M.L.A., Gaunpore, Assam.
97. Shri Sarat Chandra Sinha, Chapar, Assam.

98. Shri P. C. Khongwir, Assistant Agricultural Officer, North-East Frontier Agency, Shillong.
99. Shri Bishnu Ram Mehdi, Revenue Minister and all other Ministers except the Premier and Food Minister, and Shri Mahendra Chaudhury and Shri B. P. Chaliha, Parliamentary Secretaries.

WEST BENGAL

At Calcutta

21—7—1948

100. Shri S. K. Dey, Secretary, Agriculture, Forests and Fisheries Dept.
101. Shri Jadabendra Nath Panja, Minister, Agriculture, Forest and Fisheries.
102. Shri B. B. Mukherjee, Retired Director, Land Records and Surveys.
103. Janab A. F. M. Abdur Rehman, M.L.A., Alipore, Calcutta.
104. Shri P. R. Das Gupta, Director of Land Records and Surveys.
105. Shri B. B. Sarkar, Commissioner, Burdwan Division.
106. Shri J. N. Talukdar, Commissioner, Presidency Division.
107. Shri B. C. Sinha, Minister, Land and Land Revenue Department.
108. Shri S. Banerji, C.I.E., I.C.S., Member, Board of Revenue and Secretary, Land and Land Revenue Department.

22—7—1948

109. Shri R. K. Mitra, I.C.S., Collector, 24 Parganas, Alipore, Calcutta.
110. Shri B. B. Das Gupta, Secretary, Finance Department.
111. Shri B. P. Bhattacharjee, Registrar, Co-operative Societies, West Bengal.
112. Shri Nikunja Behari Maity, Minister, Co-operative Credit and Relief.
113. Shri Hirendra Chandra Sen, Collector, Midnapore.
114. Shri B. K. Banerji, Collector, Burdwan.

23—7—1948

115. Prof. Pabitra Kumar Sen, Guru Prasad Singh, Professor of Agriculture, Calcutta.
116. Shri Khagendra Nath Das Gupta, M.L.A.
117. Prof. Benoy Sarkar, Head of Department of Economics and Commerce, Calcutta University.
118. Shri J. P. Bhattacharjee, Visva-Bharati Economic Research Institute of Rural Reconstruction.
119. Shri Radhakumud Mukherjee, 39, Edkalia Road, Ballygunge.
120. Rai Bahadur Devendra Mohan Bhattacharjee, Ex-M.L.A. (Central) and formerly Member, Bengal Administration Enquiry Committee.

24—7—1948

121. Shri Uday Chand Mahtab, M.L.A., Maharajadhiraj Bahadur of Burdwan.
122. Maharaja Sris Chandra Nandy, M.L.A. of Cossim Bazar. }
 123. Sri Kumar Amaresh Chandra Sinha. } Examin
 124. Mr. Tarak Nath Mukherjee, C.I.E., M.B.E. } together.
 125. Shri P. N. Singh Roy, O.B.E.
126. Dr. and Mrs. R. K. Sirkar, 131, Bowbazar Street, Calcutta.
127. Shri Parimal Kumar Roy, M.A., B.L., Professor of Economics, Bangabasi College, Calcutta.
128. Shri Santi Priya Bose, Deputy Director of Agriculture, Jalpaiguri.

25—7—1948

129. Shri J. N. Roy, Prativa Kutir, Williams Town, Deoghar.
130. Shri Kalipada Mukherjee, Minister for Labour.
131. Shri B. N. Banerjea, Secretary, Public Service Commission, West Bengal.
132. Shri Prabas Chandra Pathak, Calcutta.
133. Shri Atul Chandra Gupta, Advocate, 125, Rash Behari Avenue, Ballygunge, Calcutta.

ORISSA*At Cuttack*

10—9—1948

134. Shri Naba Krishna Chaudhry, M.L.A., formerly Minister for Revenue, Chairman, Land Revenue and Land Tenure Committee, Bakhrabad, Cuttack.
135. Shri G. S. Ray, M.A., B.L., Member, Land Revenue and Land Tenure Committee and Principal, Puri College, Puri.
136. Dr. P. Parija, O.B.E., I.E.S., Director of Agriculture and Vice-Chancellor, Utkal University, 10, Cantonment Road, Cuttack.
137. Shri H. K. Mahatab, Premier, Orissa, Cuttack.
138. Shri Radhakrishna Das, Retired Professor, Kesharpur, Bakshibazar, Cuttack.
139. Rai Sahib J. Mahapatra, M.A., Registrar of Co-operative Societies, Orissa, Cuttack.

11—9—1948

140. Shri N. Senapati, I.C.S., Chief Administrator and Special Commissioner, Orissa, Cuttack.
141. Shri Samuel Das, Revenue Commissioner, Orissa.

142. Shri U. N. Rath, Deputy Secretary to Government, Revenue Department and Secretary, Land Revenue and Land Tenure Committee, Cuttack.
143. Rai Sahib B. S. Mahanti, District Magistrate, Dhenkenal.
144. Shri S. N. Bhanj Deo, M.A., Tikayat of Kanika, Leader of Opposition, Member, Land Revenue and Land Tenure Committee, Kanika Rajbati, Katakchandi, Cuttack.

12—9—1948

145. Shri Dinabandhu Sahu, M.L.A., Member, Land Revenue and Land Tenure Committee, Bengalishahi, Cuttack.
146. Shri B. K. Pal, M.A., B.L., Advocate, Bakhrabad, Cuttack.
147. Shri Biswanath Das, M.C.A., President, Utkal P.C.C., Cuttack.
148. Shri Surendra Nath Bose Roy, P.O., Pattumundai, Cuttack.
149. Shri Chakradhar Behera, V. Haldia, P.O., Ghanteswar, Balasore.

At Chatrapur

14—9—1948

150. Pandit A. S. N. Murti, President, South Orissa Agriculturists' Association, Chatrapur.
151. Shri A. V. Subba Rao, Advocate, Member, Land Revenue and Land Tenure Committee, Berhampur.
152. Shri Narayan Patro, M.L.A., Vice-President, Orissa Land Mortgage Bank, P.O., Gurandi, P.S., Parlakimedi, District Ganjam.
153. Shri Jagannath Misra, M.L.A., Chatrapur.
154. Shri Umacharan Patnaik, M.L.A., Advocate, Member, Land Revenue and Land Tenure Committee, Berhampore, Ganjam.

BIHAR

At Ranchi

18—9—1948

155. Shri B. N. Sarkar, Director of Agriculture, Bihar, Ranchi.
156. Shri N. Bakshi, I.C.S., Member, Board of Revenue, Bihar.
157. Shri K. Raman, I.C.S., Secretary to Government, Revenue Department, Government of Bihar, Ranchi.
158. Shri S. P. Sinha, Land Reforms Commissioner, Bihar.
159. Shri S. K. Sen, Animal Husbandry Officer, Government of Bihar.

19—9—1948

160. Swami Sahajanand Saraswati, President, Bihar Provincial Kisan Sabha, Shri Sita Ram Ashram, P.O., Bihta, Patna.
161. Representatives of the Bihar Provincial Congress Committee :
 - (i) Shri Nand Kumar Singh, Secretary, B.P.C.C., District Congress Committee, Monghyr.

- (ii) Shri Baidya Nath Chaudhury, Secretary, B.P.C.C., District Congress Committee, Purnea.
- (iii) Shri Mathura Prasad Misra, Secretary, Kisan Sub-Committee, B.P.C.C., Sadaqat Ashram, Patna.
- (iv) Shri Sarju Prasad, formerly Secretary, B.P.C.C., Secretary, Gandhi Samiti, Muzaffarpur.
- (v) Shri Ayodhya Prasad, Member, Kisan Sub-Committee, B.P.C.C., Sadaqat Ashram, Patna.
- (vi) Shri Deep Narayan Singh, M.L.A., President, Bihar Provincial Co-operative Federation, Muzaffarpur.
- (vii) Shri Jamuna Prasad Singh, M.L.A., Gaya.
- (viii) Shri Saligram Singh, President, District Congress Committee, Hazaribagh.

20—9—1948

- 162. Shri Baidyanath Chaudhry, President, District Congress Committee, Purnea.
- 163. Shri Tara Prasanna Ghosh, Hon. Organiser, Co-operative Societies, Ranchi.

At Patna

22—9—1948

- 164. Prof. Parmanand Prasad, 3, Serpentine Road, Patna.
- 165. Shri Nawalkishore Prasad Singh, Sub-Registrar, Hilsa, Patna.
- 166. Representatives of the Director of Industries :
 - (i) Shri Syed Mehdi Ali, Deputy Director of Industries (Administration), Secretariat, Patna.
 - (ii) Shri B. N. Prasad, Superintendent of Fisheries, Secretariat, Patna.
 - (iii) Shri Muhammad Yasin, Deputy Director of Cottage Industries, Secretariat, Patna.

23—9—1948

- 167. Shri G. N. Sinha, Director of Public Instruction, Bihar, Secretariat, Patna.

MADRAS*At Madras*

22—11—1948

- 168. Shri T. K. Doraiswami Iyer, M.A., 48, Anaikatti Street, Tiruvannamalai, North Arcot district.
- 169. Shri K. S. Ramamurthi Iyer, Vice-President, District Agricultural Association, Kunnam House, Shiyali, Tanjore district
and
Shri K. Govindarajulu Naidu, Advocate, Joint Secretary, Tanjore District Agriculturists' Association, Kutchery Road, Mayavaram, Tanjore district.

170. Shri N. S. Iyer, President, Kodavasal Agricultural Association, Serukalathur, P.O., Tanjore district.
171. Shri K. G. Sivaswamy, President, South Indian Federation of Agricultural Workers' Union, 27, Apparsami Koil Street, Mylapore, Madras.

23—11—1948

172. Shri K. C. Ramakrishnan, Professor, Agricultural College, Coimbatore.
173. Shri C. S. Srinivasa Mudaliar, Shiyali, Tanjore district.
174. Shri B. Ramachandra Reddy, President, Madras Chamber of Agriculture, Reddi House, Vepery, Madras.
175. Dr. R. Naganna Gowd, M.Sc., Ph.D., Hospet, Bellary district.
176. Shri D. Munikanniah Naidu, B.A., B.L., Advocate, Pushkala, 14/31, Eldams Road, Teynampet, Madras 18.
177. Shri Venkataswami Reddy, Advocate and Secretary, South Arcot Agricultural Association, Cuddalore, N.T.
178. Shri G. Vageesan, Mirasdar, Pinnalur, Chidambaram Taluk, South Arcot district.
179. Shri K. S. Madhava Iyer, Kadayam, Tinnevely district.
180. Rao Saheb P. R. Ranganath Ranja, B.A., B.L., Codialbail, Mangalore, S. Kanara district.

24—11—1948

181. Shri V. S. Thyagaraja Mudaliar, Landlord, Vadapathimangalam Estate, Tiruvarur, Tanjore district.
182. Shri R. Venkata Subba Reddiar, B.A., B.L., Ex.-M.L.A., (Central), Advocate, Secretary, South India Sugarcane Growers' Association, Tindivanam, S. Arcot district

and

- Shri E. V. Sundara Reddi, M.A., B.L., President, South India Sugarcane Growers' Association, 12, Avenue Road, Nungambakkam, Madras.
183. Shri A. Veeriah Vandayar, Poondi, Chingleput district.
184. Shri S. A. Rahim, President, Tamilnad Kisan Panchayat and Shri K. Raman, Secretary, Tamil Kisan Panchayat.
185. Shri G. Narayanaswamy Naidu, Kisan Congress, Mayavaram.
186. Shri K. A. Nachiappa Goundar, M.L.A., P.O., Konganapuram, district Salem (*via*) Sankaridrug.
187. Shri Harihara Subramaniam, c/o. Shri K. G. Sivaswamy, 27, Apparsami Koil Street, Mylapore, Madras.

25—11—1948

188. Shri V. T. Arasu, Villivakkam, P.O., Madras.
189. Shri A. S. Narayanaswami Iyer, Advocate, Shripuram.

190. Shri E. Venugopal Reddy, V. Rachakandriga, P. Rada (M.S.M.Rly.), Chingleput district.
191. Shri R. Venkataraman, Secretary, Labour Section, Tamilnad Congress Committee, Mount Road, Madras
and
Shri V. Ramamurthi, Secretary, Research Department, Tamilnad Congress Committee.
192. Shri B. Venkatanarayana Reddy, M.L.A., Kotapolur, Sulurpet Taluk, Nellore district.

At Calicut

26—11—1948

193. Shri R. Dorai Rajan, Journalist, Najappa Chetty Colony, Trichy Road, Coimbatore.
194. Shri E. Sankaran Unni, Advocate, Palghat.
195. Shri Ramachandra Nedungadi, c/o Shri P. Kuttikrishnan Nair, B.A., B.L., Vakil, Chalapuram, P.O., Calicut.
196. Shri C. M. K. Nambisan, President, Malabar Karshak Sabha, Socialist Party Office, Cannanore (N. Malabar).

27—11—1948

197. Shri K. C. Manavedan Rajah, Retired Collector, "Rajah Mandir", Chalapuram, P.O., S. Malabar.
198. Shri K. P. Krishnan Nair, Retired Collector, Puthiyara, Calicut.
199. Shri C. K. Menon, B.A., M.M.E.J., (Selliga) Kavalappara, Shoranur.
200. Shri A. Chandu, M.L.A., Calicut.
201. Shri C. K. Raghavan, B.A., Landlord, Nilswar, S. Kanara.
202. Shri Kelappan, President, Kerala P.C.C., Calicut.
203. Shri K. T. Alva, Retired Deputy Director of Agriculture, P. Bijai, Mangalore.
204. Shri K. B. Jinaraja Hedge, B.Sc., LL.B., Advocate, Jain Hostel, Mangalore.

At Madras

29—11—1948

205. Shri G. Venkateswara Aiyar, O.B.E., I.C.S., Secretary to Government, Revenue Department, Madras.
206. Shri R. M. Sundaram, O.B.E., I.C.S., Director of Agriculture, Government of Madras, Madras.
207. Shri B. Natarajan, Economic Adviser to the Government of Madras, Fort St. George, Madras.
208. Rao Bahadur M. A. Kuttalingam Pillai, Secretary to Government, Food Department, Madras.

209. Shri K. S. Nayar, Director of Animal Husbandry, Animal Husbandry Department, Triplicane, P.O., Madras.

At Mayavaram

30—11—1948

210. Shri A. V. Ponaiya, Secretary, Tinnevelly District, Kisan Sabha, 71, Car Street, Tinnevelly district.
211. Shri M. G. Guruswamy, Secretary, Tenkasi Taluk, Kisan Sabha, New Street, Tenkasi, Tinnevelly district.
212. Shri A. Iyannan, Vill. and P.O. Tirumuhoor, Madura taluk and district and
Shri Muthiya Koval, Pettai, Sholavandan (S.I.Rly.).
213. Also accompanying them were :
1. Shri Appauraj,
 2. Shri Karuppaiyambalam,
 3. Shri V. P. Rangaswami Naidu and
 4. Shri S. R. Gopalakrishnan.
214. Shri T. K. Krishnaswamy, Hodgsonpet, Kanjeevaram, Chingleput district
and
Shri K. S. Ramaswamy, Double Street, Kodavasal, Tanjore district.

At Bezwada

2—12—1948

215. Shri A. Joseph, c/o Andhra P.C.C., Bezwada.
216. Shri Narasimhadevara Satyanarayana, Alamur, Ramachandrapuram taluk, E. Godavari district.
217. Representatives of the Khadi Samasthanam, Bezwada :
1. Shri V. Venkatakrishnayya,
 2. Shri G. Sitaram Sastry,
 3. Shri V. Ramasastry,
 4. Shri Alluri Lakshminarayana, and
 5. Shri Yerneni Subramaniam.
218. Shri G. Ramachandra Rao, President, Andhra Provincial Agricultural Union, Sevasrama, Gudivada, Krishna district.
219. Shri S. L. Narasiah, Vakil, Vizianagaram.
220. Shri G. Sitaram Sastry, Vinay Ashram, Via Ponnur, Guntur district.

3—12—1948

221. Shri Adusumilli Gopalakrishnayya, M.L.C., Siddantan, Gudivada Taluk, Krishna district.
222. Shri G. Brahmiah, Ghanthasala, Dvitaluk, Krishna district.
223. Shri Arikapuddi Ramanathan, B.A., B.L., Bezwada.

224. Shri C. Rajagopalachari, B.A., B.L., Advocate, Bezwada.
225. Representatives of the Andhra Provincial Kisan Congress and Andhra Provincial Agricultural Labour Congress :
1. Shri G. Laxmi Narayana, Organiser, Andhra Provincial Labour Congress.
 2. Shri B. S. Murthi, M.L.A., President, Andhra Provincial Agr. Labour Congress and President, Andhra Provincial Harijan Sevak Sangh.
 3. Shri C. Bali Reddy, President, Andhra Oil Seed Growers' Association, and President, Rayalaseema Food Growers' Association, Cumbum, P.O., Kurnool district.
 4. Shri B. Anjanappa, B.A., General Secretary, Andhra Provincial Agricultural Labour Congress, Madakasira P.O., Anantapur district.
 5. Shri G. V. Subbiah, President, Andhra Provincial Kisan Congress, Ghantasala, Krishna district.
 6. Shri Nagineni Venkayya, Ongole.

UNITED PROVINCES

15—1—1949

226. Shri J. Nigam, Secretary to Government, Revenue Department, Lucknow.
227. Chaudhary Mukhtar Singh, Vigyan Kala Bhavan, Meerut.
228. Shri K. B. Nizamuddin Hyder, Ex. Director of Agriculture in the Nizam's Dominions, P.O., Kakori, Lucknow.
229. Shri Charan Singh, Parliamentary Secretary in U. P. Government, Secretariat, Lucknow.

16—1—1949

230. Dr. Radha Kamal Mukerjee, Head of the Department of Economics, Lucknow, University, Lucknow.
231. Acharya Narendra Deo, Vice-Chancellor, Lucknow University, Lucknow.
232. Dr. Baljit Singh, Reader of Economics, Lucknow.
233. Shri Mahesh Chandra Agarwal, Lecturer in Economics, Lucknow.
234. Prof. Mukat Behari Lal, Hindu University, Banares.
235. Shri A. N. Jha, I.C.S., Secretary for Agriculture, Civil Secretariat, Lucknow.
236. Shri Muzaffar Hassan, M.L.A., Secretary, U.P. Provincial Congress Committee, Wala Qadar Road, Lucknow.

17—1—1949

237. Dr. S. B. Singh, Director of Agriculture, U.P., Lucknow.
238. Shri Vir Bahadur Singh, College of Commerce, Delhi.

239. Baba Raghav Das, M.L.A., c/o District Congress Committee, Gorakhpur.
240. Shri K. B. Abdul Hassan, Revenue Adviser to the Government of Rampur, Rampur.

18—1—1949

241. Shri Sridhar Misra, Lecturer in Economics, Kanyakubja College, Lucknow.
242. Shri Nasir Ahmed Khan, Lecturer in Economics, Lucknow University, Lucknow.
243. Shri M. B. Dixit, Registrar, Co-operative Societies, Lucknow.
244. Shri H. K. Mathur, Secretary to Government, Labour Department, Secretariat, Lucknow.
245. Shri S. C. Chaturvedi, Statistician to U.P. Government, Secretariat, Lucknow.
246. Shri B. V. Bhadkamkar, I.C.S., Senior Member of the Board of Revenue, Allahabad.

19—1—1949

247. Shri K. B. Bhatia, I.C.S., Development Commissioner, Lucknow.
248. Swami Bhagwan, Secretary, Kisan Panchayat, c/o the Socialist Party, Pandariba, Lucknow (U.P.).
249. Begum Aizaz Rasool, M.L.C., M.C.A., Kaiserbagh, Lucknow.
250. Shri Ramesh Varma, "Dehati" Office, Rajamandi, Agra.
251. Thakur Phool Singh, M.L.A., M.C.A., Saharanpur.
252. Shri Ajit Prasad Jain, M.C.A., Civil Lines, Saharanpur.
253. Shri K. M. Lall, Judicial Member of the Board of Revenue, Allahabad.
254. Shri Keshav Deo Malaviya, Minister for Development and Industries, Secretariat, Lucknow.
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APPENDIX F

List of Replies to Questionnaire

CENTRAL PROVINCES AND BERAR

1. The Government of C.P. and Berar.
2. Shri V. K. Soman, Mekhar, Berar.
3. Shri Ramadar Dubey, B.A., B.L., Sihora.
4. Shri N. L. Diwanji, Chanda.
5. Shri H. R. Misra, Settlement Commissioner, C.P. and Berar.
6. Shri R. G. Chaurey, o.s.d., C.P. Government.
7. Shri Beohar Rajendra Singh, M.L.A., Jubbulpore.
8. Shri Ganpat Rao B. Dani, Malguzar, Raipur, Ex.-M.L.A. (Central).
9. Shri Krishnalal Onkar Das Goenka, Akola.
10. Shri D. R. Mohorikar, Balaghat.
11. Shri P. S. Patil, M.L.A., Buldana.
12. Dr. Punjab Rao Deshmukh, M.C.A., Amraoti.
13. Shri D. K. Kane, Yeotmal, Berar.
14. Shri K. P. Pande, M.L.A., Sihora.
15. Dr. D. W. Kathalay, Advocate, Nagpur.
16. Shri Hari Singh Gour, Vice-Chancellor, Saugor University.
17. Shri S. S. Selot, M.L.A.
18. The C.P. Estates Union.

BOMBAY

19. The Government of Bombay.
20. Shri S. G. Barve, I.C.S., Collector, Poona.
21. Shri U. M. Mirchandani, I.C.S., Commissioner, N. Division.
22. Shri T. T. Kothavala, C.I.E., I.C.S., Director of Land Records and Settlement Commissioner, Bombay.
23. Dr. B. N. Uppal, Director of Agriculture, Bombay (with the curriculum and prospectus of Agricultural Schools in Bombay as appendix.)
24. Shri G. M. Sankpal, Director, Bureau of Economics and Statistics, Government of Bombay.
25. Shri B. P. Patel, I.C.S., Registrar, Co-operative Societies and Director of Agricultural Marketing and Rural Finance, Government of Bombay, along with the following appendices:
 - (i) Appendix 'A'—Leaflet QQ and Model bye-laws
 - (ii) Appendix 'B'—Leaflet QQQ and Model bye-laws of Co-operative Tenant/Collective Farming Societies.
 - (iii) Appendix 'C'—Co-operative Farming Scheme.

26. Capt. S. P. Mohite, Collector, Ratnagiri.
27. Shri N. K. Dravid, I.C.S., Secretary for Labour to Government of Bombay.
28. Sir Manilal B. Nanavati, President, Indian Society of Agricultural Economics, Bombay.
29. Shri P. S. Hosmani, district Dharwar, Karnatak.
30. The President, Development Agricultural Association Limited, Talgoan, E. Khandesh.

ASSAM

31. The Government of Assam.
32. Shri U. K. Goswami, Professor of Economics, Cotton College, Gauhati.
33. Shri Jagdish Chandra Mehdi, Pleader, Gauhati.
34. Shri Kamakhya Ram Barooah, Pleader, Gauhati.
35. Shri Dinanath Mehdi, Representative of the Lawyers' Association, Gauhati.
36. Shri Purandhar Sharma, M.L.A., Mangaldoi.
37. Shri Haladhar Bhuyan, M.L.A., Secretary, Assam Congress Parliamentary Board.
38. Shri D. Raj Khowa, President, District Congress Committee, Golaghat.
39. Shri Shyama Prasad Chakraverti, Pleader, Dhubri.
40. The Assam Socialist Party.
41. Shri Kuladhar Chaliha, M.C.A., Jorhat.
42. Shri J. N. Das, Under Secretary to the Revenue Department, Government of Assam.
43. Shri B. C. Bhagwati, M.L.A., Tezpur.
44. Shri Mahadeo Sharma, Chairman, Local Board, Tezpur.
45. Shri L. N. Phukan, Agricultural Chemist, Assam.
46. Shri T. T. S. Hayley, I.C.S., Secretary and Director of Rural Development, Cottage Industries, Sericulture and Weaving, and Secretary and Registrar of Co-operative Societies, Government of Assam.
47. Shri K. N. Mazumdar, Director of Land Records, Government of Assam.
48. Shri Sidhinath Sarma, General Secretary, Assam P.C.C.
49. Shri L. Baruah, Speaker, Assam Legislative Assembly.
50. Shri Jitendralal Goswami, Secretary, Karimganj Sub-Divisional Congress Committee, Assam.
51. Shri Dharendra Kumar Gupta on behalf of Cachar District Congress Committee.
52. Shri S. K. Barooah, M.L.A., Dhubri.

53. Shri Sarat Chandra Sinha, M.L.A., Chapra.
54. Shri P. C. Khongwir, Agricultural Officer, North-West Frontier Agency.
55. Shri Chakeswar Sakia, Secretary, Assam Talatiya Rayat Sangh.
56. Shri Kedar Nath Goswami, President, Assam Provincial Peasant and Labour Party.
57. Shri J. B. Rajkowar, Deputy Commissioner, Garo Hills.
58. Shri Bangsidhar Choudhury, President, Barapeta District Congress Committee.
59. Shri Sarveswar Barua, Ex. M.L.A.
60. Shri Hareswar Das, M.L.A., Goalpara.
61. Shri R. B. Vaghaiwalla, Deputy Commissioner, Cachar.
62. Prof. Banamali Sarma.
63. Shri Manikya Chandra Nath, Headmaster, B.N. High School, Dhalai, Cachar.

WEST BENGAL

64. The Government of West Bengal.
65. Shri B. B. Sarkar, I.C.S., Commissioner, Burdwan Division.
66. Shri R. K. Mitra, I.C.S., Collector, 24 Parganas.
67. Shri Pavitra Kumar Sen, Guru Prasad Singh, Professor of Agriculture, Calcutta University.
68. Shri K. N. Das Gupta, M.L.A., Jalpaiguri.
69. Shri J. P. Bhattacharji, Economist, Vishwa-Bharati Institute of Rural Reconstruction, Sriniketan.
70. An appendix to the reply—relevant agricultural statistics, submitted by Shri J. P. Bhattacharjee.
71. Rai Bahadur Shri Devendra Mohan Bhattacharjee, o.B.E., Ex.-M.L.A. (Central).
72. The British Indian Association, Calcutta.
73. A supplementary reply to the questionnaire from the British Indian Association, Calcutta.
74. Shri Parimal Kumar Ray, M.A., B.L., P.R.S., Professor of Economics, Bangabasi College, Calcutta.
75. A supplementary reply to points raised in the questionnaire from Shri Parimal Kumar Ray.
76. Shri Karunamoy Mukherjee, M.A., P.R.S., Professor of Economics and Commerce, Bangabasi College, Calcutta.
77. Shri Kalipada Mukerji, Secretary, West Bengal Provincial Congress Committee, and Minister for Labour, Government of West Bengal, Calcutta.

78. Shri Prabhas Chandra Pathak, M.A., B.L., Calcutta.
79. Officers of the Directorate of Agriculture, Government of West Bengal.
80. The West Bengal Kisan Sabha.
81. Shri Satindra Nath Bose, Assistant Secretary, Balurghat Congress Committee, Dinajpur.
82. Shri S. Sen Gupta, Lecturer in Department of Commerce, Calcutta University.
83. Shri Kasturchand Lalvani, Lecturer, Calcutta University.
83. Dr. Atindra Nath Bose, Calcutta University.
85. Shri P. Sinha, Principal, Ashutosh College, Calcutta.
86. The Jalpaiguri Jotedars' Association (in Bengali).

ORISSA

87. The Government of Orissa.
88. Shri N. K. Chaudhri, President, Land Revenue and Land Tenure Committee and Ex-Revenue Minister, Orissa.
89. Shri G. S. Ray, Principal, Balasore College.
90. Shri P. Parija, Director of Agriculture, Orissa, and Vice-Chancellor, Uktal University.
91. Shri Radhakrishna Das.
92. Shri Rai Sahib J. Mahapatra, Registrar, Co-operative Societies, Orissa.
93. Rai Bahadur Samuel Das, Revenue Commissioner, Orissa.
94. Shri U. N. Rath, Deputy Secretary to Government, Revenue Dept.
95. Rai Sahib B. S. Mohanty, District Magistrate, Dhenkenal.
96. Shri S. N. Bhanj Deo, M.L.A., Tikayat of Kanika, Leader of Opposition, Orissa Assembly and Member, Land Revenue and Land Tenure Committee.
97. Shri Bimal Krishnan Pal, Advocate, Member, Land Revenue and Land Tenure Committee.
98. Shri Surendra Nath Bose Roy.
99. Shri Chakradhar Behra.
100. Pandit A. S. N. Murti, President, South Orissa Agricultural Association, Chatrapur, Ganjam district.
101. Shri A. V. Subbarao, Advocate, Berampur, Ganjam district.
102. Shri G. Narayana Murthy, M.L.A.
103. Rai Bahadur B. C. Patnaik, Secretary, Temporary Settled Land Holders' Association, Cuttack.
104. Shri H. Bhole, Deputy Secretary to the Revenue Commissioner, Orissa.

BIHAR

105. The Government of Bihar.
106. Shri B. N. Sarkar, Director of Agriculture, Bihar.
107. Shri N. Bakshi, I.C.S., Member, Board of Revenue, Bihar.
108. Shri K. Raman, I.C.S., Secretary, Revenue Department, Government of Bihar.
109. Shri S. P. Sinha, Land Reforms Commissioner, Bihar Government.
110. Shri S. K. Sen, Animal Husbandry Officer, Government of Bihar.
111. Shri Swami Sahajanand Saraswati, President, Bihar Provincial Kisan Sabha.
112. The Bihar Provincial Congress Committee.
113. Shri B. B. Mukerjee, Registrar, Co-operative Society, Bihar.
114. Shri Parmanand Prasad, Patna University, Patna.
115. Shri Nawal Kishore Prasad Sinha, Sub-Registrar, Hilsa.
116. Shri K. R. Krishnaswami, Director of Industries, Patna.
117. Shri J. Malik, Director, Veterinary Services, Bihar.
118. Shri Kamala Roy, Chairman, Saran District Board, Chapra.
119. Shri Jaglal Mahto, President, Gaya District Congress Committee, Bihar.
120. Shri D. P. Srivastava, and Shri S. D. Jha, Economics Department, D.B.B. College, Muzaffarpur.
121. Shri S. Dutt, Professor of Economics, Patna College, Patna.

MADRAS PRESIDENCY

122. Shri K. S. Ramamurthy Aiyar, Kunnam House, Tanjore.
123. Shri K. G. Sivaswami, President, South Indian Federation of Agricultural Workers' Union.
124. Prof. K. C. Ramakrishnan, Agricultural College, Coimbatore.
125. Shri B. Ram Chandra Reddy, President, Madras Chamber of Agriculture.
126. Dr. R. Naganna Gowda.
127. Shri D. Munikanniah, Madras.
128. Shri M. Venkata Swami Reddi, Advocate, Secretary, South Arcot District Agricultural Association, Cuddalore.
129. Shri G. Vageesan Pillai, Mirasdar, Pinnalur, Chidambaram taluk, South Arcot district.
130. Rai Sahib P. R. Ranganath Punja, B.A., B.L., Mangalore.
131. Memorandum submitted by Shri V. S. Tyagaraja Mudaliar, Landlord, Vadapathi Mangalam Estate, Tiruvarur, Tanjore district.
132. Shri E. V. Sundara Reddy and Shri R. Venkatasubba Reddy, Ex.-M.L.A. (Central) (Shri E. V. Sundara Reddy, President, South

Indian Sugarcane Growers' Association and Shri R. Venkata Reddy, Secretary).

133. Shri B. Venkata Narayana Reddy, M.L.A., Nellore district.
134. Shri R. Dorai Rajan, Journalist, Coimbatore.
135. Shri E. Sankaran Unni, Advocate, Palghat.
136. Shri C. K. Menon, Shoranur.
137. Rao Bahadur Shri K. T. Alva, Retired Deputy Director of Agriculture, Madras.
138. Shri K. B. Jinaraja Hegde, Ex.-M.L.A., Advocate, General Secretary, South Kanara Land Holders' Association.
139. Shri R. B. Kuttalingam Pillay, Secretary, Food Department, Government of Madras.
140. Shri C. Rajagopalachari, Advocate, Bezwada.
141. Shri S. L. Narasayya, Director, Vizagapatam Zilla Grama Parisrama Sangham, Vizianagaram.
142. Shri T. V. Raghavulu, Vizagapatam District, Member, A.R.C., and President, Andhra Depressed Classes League.
143. Shri C. W. B. Zacharias, Lecturer in Economics, Madras University.
144. Shri T. Subba Reddy, Anantapur district.
145. Shri G. Jogiraju Retired Assistant Director of Agriculture, Madras, E. Godavari district.
146. M. Narayana Kurup, Secretary, Kerala Provincial Congress Committee.
147. Trichinopoly District Agricultural Association.
148. Shri N. Venkata Rama Naidu, Managing Editor, "Zamin Ryot", Nellore.
149. Shri N. Sankaranarayana Pillayan, Tinnevely Town.
150. Shri P. V. Pattabhi Rama Reddy, Anantarapet, Kudur.
151. The Mirasdar Association, Kumbakonam.
152. Shri Mudikondan V. Mahadeva Iyer, Tanjore district.
153. Shri M. B. Rangaswami Reddiar, Ex.-M.L.C., President, District Agricultural Association, Tiruvannamalai.
154. Shri R. Srinivasa Iyer, Pleader and Member, Irrigation Advisory Board, Cauveri Delta, Tanjore district.
155. Secretary, District Agricultural Association, Coimbatore.
156. The Revenue Divisional Officer, Canamalamadugu, district Cuddapah.
157. The Revenue Divisional Officer, Cuddapah.
158. Shri K. P. Yegneswara Sarma, Ex.-M.L.A., Tinnevely district.
159. Shri G. S. N. Ramamurti, Revenue Divisional Officer, Dhone, district Kurnool.

160. The Parlakimidi and Pathapatnam Taluka Ryots Association.
161. Shri A. Chidambara Nadar, Advocate, Sivakasi.
162. Shri R. Govindarajulu President, Nagapattura Taluk Congress Committee, district Tanjore.
163. Shri K. S. Krishnamurthy, Peralam.
164. Shri K. S. Krishnaswami Iyengar, Retired Judge, Madras High Court, and Retired Chief Justice, Cochin High Court and Formerly Member, Royal Indian Navy Enquiry Commission, Mirasdar, Kumbakonam.
165. Shri M. Varatharajulu, Dewan, Bobbili.
166. Shri C. Narasinhan, Ex-M.L.A., Secretary, Land Mortgage Bank, Vizagapatam.
167. Shri T. Chakrapani, Revenue Divisional Officer, Naniyal, district Kurnool.

UNITED PROVINCES

168. The U. P. Government.
169. Shri Choudhury Mukhtyar Singh, Hon. Secretary, Vigyan Kala Bhawan, Meerut, and Chairman, Reorganisation Committee of Agriculture, U.P.
170. Khan Bahadur Nizamud-din Hyder, Ex-Director of Agriculture in the Nizam's Dominions, Kakori, district Lucknow.
171. Khan Bahadur S. Abdul Hassan, M.B.E., Formerly President of Court of Wards, U.P., now Revenue Adviser to Rampur Government.
172. Shri Nazir Ahmed Khan, Lecturer in Economics, Lucknow University.
173. The Co-operative Department of U. P. Government.
174. The Labour Department of the U. P. Government.
175. Shri S. C. Chaturvedi, Statistician, U. P. Government.
176. Thakur Phool Singh, M.L.A., M.C.A., Saharanpur.
177. Shri A. P. Jain, M.C.A., Formerly Parliamentary Secretary, Revenue Minister, U.P., Member, Indian Administrative Service, Emergency Selection Board.
178. Shri K. M. Lal, Judicial Member, Board of Revenue, U.P.
179. Shri K. D. Malaviya, Development Minister, Government of United Provinces.
180. Raja Yuveraj Dulla Singh of Oel, President, British Indian Association, Avadh.
181. Shri S. N. M. Tripathi, M.A., LL.B., Secretary, Board of Revenue, U.P. (being the official reply of the Land Records Department, U.P.).
182. Shri Rameshwar Prasad Sharma, Member, A.-I.C.C., and President District Congress Committee, Jhansi.

APPENDIX G

List of Notes & Memoranda Submitted to the Agrarian Reforms Committee

CENTRAL PROVINCES

<i>Name of the person</i>	<i>Subject</i>
1. Shri R. G. Chaurey.	Note on Consolidation of Holdings in Chattisgarh.
2. Shri G. C. Mukhtyar.	Co-operative Farming at Mouza, Akola.
3. Shri Kishanlal Onkar Das Goenka.	Note on Joint-stock Farm.
4. Shri N. P. Srivastava.	Note on Extension of cultivation over fallow land to accelerate the G.M.F. Campaign.
5. Shri N. P. Srivastava.	Chart showing distribution of Food Crops in C. P. and Berar.
6. Shri N. P. Srivastava.	Statement showing area available for allotment in ryotwari villages.
7. Shri N. P. Srivastava.	Revenue Dept.—Organisation and Policy.
8. Shri H. S. Kamath, I.C.S.	Note on Krishnamachari Report.
9. Shri M. G. Chitnavis.	Note on Agrarian Reforms.

BOMBAY

10. Shri B. D. Lala.	Note on Agrarian Reforms.
11. Shri B. D. Lala.	Note on the Bill to provide for prevention of fragmentation of agricultural holdings and for their consolidation (Bill XVIII of 1946).
12. Shri Manilal B. Nanavati.	Note on Co-operative Farming.
13. Shri Manilal B. Nanavati.	Symposium on Agrarian Reforms.
14. Shri Manilal B. Nanavati.	"Peasant Proprietorship system is ideal for India"—an article.
15. Shri D. K. Kunte.	Note on Khar and Khajan lands.

ASSAM

16. Shri A. K. Mitra.	Note on various schemes of Veterinary Department for 1948-49.
17. Shri Shyama Prasad Chakravarti.	A Note on reforms.

<i>Name of the person</i>	<i>Subject</i>
18. Shri Dandesar Gogoi.	A Note on Agrarian Reforms.
19. Shri J. N. Das.	Substance of the Minute of the Proceedings of the meeting in connection with the Assessment of Revenue-Free Waste Land Grants and resumption of surplus lands.
20. Shri J. N. Das.	Note on Ice, simple and other, revenue-free Waste land grants.
21. Shri R. C. Woodford.	Note on Upper-Shillong Farm.
22. Shri Handque	Note on Agricultural Development Scheme.
23. Shri N. K. Das.	A Note on Agrarian Reforms.
24. Shri D. C. Dass, I.C.S.	Notes on Post-war reconstruction Scheme.
25. Shri Romesh Chandra.	Schemes proposed and executed by the Assam P.W.D.
26. Shri G. C. Goswami.	A Note.
27. Dr. M. N. Goswami.	Abstract of cost of cultivation.
28. Shri David Roy.	A Note.
29. Shri Omeo Kumar Das.	Questionnaire for Economic Survey.

WEST BENGAL

30. Government of West Bengal.	Memorandum on Legislative Measures.
31. Shri S. K. Dey, I.C.S.	A Plan for Recovery.
32. Shri S. K. Dey, I.C.S.	A Note on Abolition of Zamindari.
33. Shri Bijay Bihari Mukherji.	Notes on Agrarian Reforms.
34. Shri Bijay Bihari Mukherji.	Presidential Address at Sunderbans Praja Mandal Samity.
35. Shri A. F. M. Abdul Rahman.	A Note on Agrarian Reforms.
36. Shri B. C. Sinha.	A letter to Shri J. C. Kumarappa.
37. Shri B. C. Sinha.	A Note on Reforms.
38. Shri R. K. Mitra.	Estimate of cost of cultivation.
39. Shri B. B. Bhattacharji	Scheme of Multi-purpose Co-operative Society.
40. Shri H. C. Sen.	Notes on land laws.
41. Shri B. K. Banerji.	A Note.
42. Shri Pavitra Kumar Sen.	A Plan for Agricultural Education.

<i>Name of the person</i>	<i>Subject</i>
43. Shri Benoy Sarkar.	A Note on Agricultural Finance.
44. Dr. Radha Kumud Mukerji.	A Note on Reforms.
45. Shri P. N. Singh Roy.	Analysis of some aspects of the scheme for Nationalisation of land.
46. Shri P. N. Singh Roy.	A scheme to substitute the existing Land Tenure System.
47. Shrimati R. K. Sarkar.	A Plan for the Organisation of Rural Bengal.
48. Shri Karunamoy Mukerji.	Soil Crops and Food Economy—A Note.
49. Shri J. N. Roy and Srijukta Reba Roy.	A Note on Multi-purpose Co-operative Development.
50. Shri B. N. Banerjee.	Note on the Questionnaire issued by the Agrarian Reforms Committee.
51. Dr. Profulla Chandra Ghosh.	Presidential address at the W. Bengal Paddy Cultivators' Conference.
52. Shri Ashutosh Bhattacharji.	Representation submitted.
53. Peasants of Dakhin Jhapardah Village.	Memoranda on the reforms required by them.

ORISSA

54. Shri N. K. Chaudhry.	Note on Land Revenue Decentralisation.
55. Shri H. K. Mahtab.	Memorandum.
56. Shri J. Mahapatra.	Note on developing Co-operative Movement in Orissa.
57. Rai Sahib J. Mahapatra.	Co-operative Intelligence.
58. Rai Sahib J. Mahapatra.	Bye-laws of the Multi-purpose Co-operative Society.
59. Shri N. Senapati.	Note on Agrarian Reforms.
60. Shri U. N. Rath.	Notes explaining the genesis of Anchal Authorities' Schemes.
61. Shri S. N. Bhanjdeo.	Skeleton scheme of Radical change in the present Zamindari System.
62. Shri Biswanath Das.	A Note on Agrarian Reforms.
63. Pandit A. S. N. Murthi.	Some farm statistics.
64. Land Revenue and Land Tenure Committee.	Proceedings of the 3rd, 4th, 5th and 6th sittings of the Committee.

<i>Name of the person</i>	<i>Subject</i>
65. Land Revenue and Land Tenure Committee.	Chapter I and II of Part I of the Draft Report.
BIHAR	
66. Shri B. N. Sarkar.	Note on reform of Land Tenure.
67. Shri S. P. Sinha.	Report on Post-Zamindari abolition, Land Administration and Land Reforms.
68. Swami Sahajanand Sawaswati.	An article "Zamindari. Abolition—What Next?"
69. Swami Sahajanand Saraswati.	Suggestions to check and eliminate fluctuations and disturbances in the commodity markets by replacing money economy.
70. Swami Sahajanand Saraswati.	Estimate of cost of cultivating Paddy and Wheat.
71. Shri Nawal Kishore Prasad Sinha.	A Note on Reforms & Land tenure.
72. Shri G. N. Sinha.	Report on the sample food survey operations in Bihar.
MADRAS	
73. Shri O. P. Ramaswami Reddiar.	Note on Agrarian Reforms.
74. Prof. T. K. Doraiswamy Aiyar.	Memorandum.
75. Shri K. S. Ramamurthi Aiyar.	Amplifications on certain points of the Questionnaire.
76. Shri C. S. Srinivasa Mudaliar.	Memorandum.
77. Shri N. S. Iyer.	Memorandum.
78. Madras Chamber of Agriculture.	Memorandum.
79. Shri K. S. Madhava Iyer.	Memorandum.
80. Shri K. S. Madhava Iyer.	Cost of food cultivation in Tambra- parni villages in District Tinnevely.
81. Shri E. V. Sundara Reddy.	Article on Land Revenue.
82. E. V. Sundara Reddy.	Article on distribution of agricul- tural holdings.
83. Shri A. Veeriya Vandayar.	Memorandum.
84. Shri G. Narayana Swami.	Memorandum.
85. Shri Harihara Subramaniam.	Memorandum.
86. Shri V. T. Arasu.	Article on the Food Problem.

<i>Name of the person</i>	<i>Subject</i>
87. Shri V. T. Arasu.	Article on "Leave the Agriculturists alone—No need for Price Fixation."
88. Shri A. S. Narayanaswami Iyer.	Memorandum.
89. Shri A. S. Narayanaswami Iyer.	Cost of food cultivation in Tambraparni villages.
90. Shri E. Venugopal Reddy.	Memorandum.
91. Shri K. Kamaraj Nadar.	Memorandum.
92. Shri R. Venkataraman.	Outline of Radical agrarian policy.
93. Shri A. Ramachandran.	Memorandum.
94. Shri K. C. Manavendran Raja.	Memorandum.
95. Malabar Landholders' Assn.	Pamphlet entitled "The Malabar Land Tenure & proposed legislation."
96. Shri Vishnu Bharatiyan.	Memorandum.
97. Shri R. M. Sundaram.	Memorandum.
98. Shri B. Natarajan.	Note on "The ryots' illusionary surplus."
99. Shri B. Natarajan.	Stabilisation of Agr. Prices.
100. Shri K. Kelappan.	Memorandum.
101. Shri K. S. Nayar.	Memorandum.
102. Shri A. V. Punaya.	Memorandum.
103. Shri N. Satyanarayana.	Agricultural Labour and Co-operation.
104. Shri N. Satyanarayana.	Co-operative Farm.
105. Alamuru Co-operative Bank.	8th Annual Report.
106. Shri N. Satyanarayana.	Scope of Industrial Co-operative in the Andhra Desh.
107. Shri N. Satyanarayana.	Model Bye-laws of the Alamuru Co-operative Bank Limited.
108. Shri T. Prakāsam.	Letter to Shri J. C. Kumarappa.
109. Shri G. Ramachandra Rao.	Note on Land Reforms.
110. Shri G. Ramachandra Rao.	Supplementary note.
111. Shri G. Ramachandra Rao.	Resolutions of the 1st Andhra Desh Agricultural Labour Conference.
112. Shri G. Sitaram Sastry.	Memorandum.
113. Shri A. Gopala Krishnayya.	Memorandum.
114. Shri Gotipati Brahmaiah.	Memorandum.
115. Shri A. Ramanadhan.	Memorandum.

<i>Name of the person</i>	<i>Subject</i>
116. Shri C. Rajagopalachari.	Vijayavada Co-operative Central Bank.
117. Shri Harihara.	Memorandum.
118. Shri T. M. Nallayappa.	Memorandum.
119. Shri K. S. Veeraraghava Iyer.	Memorandum.
120. Shri A. N. Srinivasan.	Memorandum.
121. Shri G. Rajagopala Pillai.	Memorandum.
122. Shri J. Daulatram.	Memorandum.
123. Shri A. Ramaswami Iyer.	Memorandum.
124. Shri R. Suryanarayana Rao.	Reply to Questionnaire of the Bengal Famine Commission.
125. Shri N. Narayana Nallappah.	Memorandum.

UNITED PROVINCES

126. Shri J. Nigam.	Jaunsar—Bawar Paragana Debt Control Regulation, 1948.
127. Shri Mukhtar Singh.	How to make Indian Dominion self-sufficient in Food production.
128. Khan Bahadur Nizam-ud-din Hyder.	A scheme for agricultural Education in villages.
129. Prof. Radha Kamal Mukerji.	Note on Agrarian Reforms.
130. Dr. Baljit Singh.	Note on Agrarian Reforms.
131. Shri Mahesh Chandra Agarwal.	Note on Agrarian Reforms.
132. Khan Bahadur Abdul Hasan.	“Consolidation and Improvement of Holdings”.
133. Shri Sridhar Misra.	Memorandum.
134. Shri K. B. Bhatia.	Note on Agrarian Reforms.
135. Shri K. B. Bhatia.	Note on Development Blocks.
136. Shri K. B. Bhatia.	Memorandum on Development Co-ordination.
137. Shri K. B. Bhatia.	Important Development Circulars.
138. Shri K. B. Bhatia.	A statement about Tank Digging drive.
139. Shri S. I. Zaman.	Note on Agrarian Reforms.
140. Shri B. L. Dixit.	Co-operative Farming Experiment in Darauna and Nanuara Villages.
141. Shri Ram Kumar Tripathi.	Note on Agrarian Reforms.

APPENDIX H

**List of Villages visited by the A. R. C. for the
Examination of Peasants**

C. P. AND BERAR

1. Ramtek, district Nagpur.
2. Mansodar, district Nagpur.

BOMBAY

3. Lilapur, Bulsar taluq, district Surat.
4. Ronvel, Bulsar taluq, district Surat.
5. Bادهلي, Bulsar taluq, district Surat.
6. Kothrud, Haveli taluq, district Poona.

ASSAM

7. Rampur, district Kamrup.
8. Misamari, Tezpur Sub-division, district Darrang.

WEST BENGAL

9. Dakhim Jhapardah, district Howrah.
10. Burdwan.

ORISSA

11. Chandanpur, district Puri.
12. Chammakhandi, Chatrapur taluq, district Ganjam.
13. Bhatkumarada, Chatrapur taluk, district Ganjam.
14. Santoshpur, Chatrapur taluq, district Ganjam.
15. Humma, Chatrapur taluq, district Ganjam.

BIHAR

16. Raghunathpur, district Ranchi.
17. Chandu, district Ranchi.
18. Jhangi, district Ranchi.
19. Peloul, P. S. Khunti, district Ranchi.
20. Bundu, P. S. Mandu, district Hazaribagh.
21. Murpa, P. S. Mandu, district Hazaribagh.
22. Aurangabad, district Gaya.
23. Sadiqpur, P. S. Maner, District Patna.
24. Ambara, P. S. Bihta, district Patna.
25. Jamunapore, P. S. Bihta, district Patna.

MADRAS

26. Poonamallee, district Chingleput.
27. Madhavaram, district Chingleput.
28. Red Hills, district Chingleput.
29. Kavur Amsam, Valliparam Desam, district S. Malabar.
30. Cherukollathur Amsam and Desam, district S. Malabar.
31. Peruvayil Amsam Cheruppa Desam, district S. Malabar.
32. Elantangudi, Mayavaram taluq, district Tanjore.
33. Kozhayur Cheri, Mayavaram taluq, district Tanjore.
34. Agarmanakkudi, Mayavaram Taluq, district Tanjore.
35. Manakkudi, Mayavaram Taluq, district Tanjore.
36. Uluthakuppai, Mayavaram taluq, district Tanjore.
37. Bandanallur, Mayavaram taluq, district Tanjore.
38. Aduthurai, Mayavaram taluq, district Tanjore.
39. Velathitti, Mayavaram taluq, district Tanjore.
40. Guntapalli, district Bezwada.
41. Ibrahimpatnam, district Bezwada.

UNITED PROVINCES

42. Jehangirabad, tashil Nawabganj, district Barabanki.
 43. Parhali, tahsil Nawabganj, district Barabanki.
 44. Jagdishpur, P. S. Chaura, tahsil Sadar, district Gorakhpur.
 45. Siswa, P. S. Malpur, tahsil Sadar, district Gorakhpur.
 46. Raundiha, P. S. Piparaich, district Deoria.
 47. Kushinagar, P. S. Kasya, district Deoria.
 48. Jaitwardih, P. S. and tahsil Soraon, district Allahabad.
 49. Parsadpur, P. S. and tahsil Soraon, district Allahabad.
 50. Kausihar, P. S. Nawabganj, tahsil Soraon, Allahabad.
 51. Rampur, P. S. and tahsil Karchana, district Allahabad.
 52. Bekha, P. S. Puramufti, tahsil Chail, district Allahabad.
 53. Darauna and Nanwar, P. S. and tahsil Mehrauni, district Jhansi.
 54. Kathaur, P. S. Kathaur, tahsil Movana, district Meerut.
 55. Kharkhauda, P. S. and tahsil Kharkhauda, district Meerut.
 56. Latifpur, Ganga Khadar, district Meerut.
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APPENDIX I

Income and Expenditure of the Congress Agrarian Reforms Committee from April 1948 to 6th July 1949

EXPENDITURE			INCOME		
	Rs.	A. P.		Rs.	A. P.
Salaries and Allowances	9,353	5 0	Contribution from United Provinces	5,000	0 0
Postage, Telegrams, Telephone and TMO Charges	827	7 0	" Bihar	5,000	0 0
Stationery	443	10 0	" Orissa	5,000	0 0
Printing charges	358	0 0	" Bengal	5,000	0 0
Extra charges for type work	1,753	0 0	" Assam	5,000	0 0
Expenses on A.R.C. Meetings	6,428	9 9	" Madras	5,000	0 0
Travelling charges for Members and staff during the Committee's tours	11,943	7 0	" Bombay	5,000	0 0
Travelling expenses paid to witnesses who appeared before the Committee	4,451	7 0	" Central Provinces	5,000	0 0
Miscellaneous Expenses	1,292	3 0	" East Punjab	5,000	0 0
Books purchases	97	0 0			
Articles of permanent nature purchased	87	14 6			
	37,035	15 3			
Balance	7,964	0 9			
	45,000	0 0		45,000	0 0

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(Sd.) D. P. SHAMA,

Accountant, A.I.C.C.

ARTHIK SAMEEKSHA

(A FORTNIGHTLY JOURNAL)

Published by the Department of Economic & Political Research,
All-India Congress Committee, New Delhi

Annual Subscription Rs. 4.

Single Copy As. 3.

This is the Hindi counterpart of the English publication 'Economic Review' issued by the Department of Economic and Political Research, All-India Congress Committee. The first number, that for January 1951, contains strictly topical articles and deals with socio-economic questions. Shri Algurai Shastri suggests two mutually co-operating channels of production, namely, (1) large-scale industries and (2) small-scale village industries for producing articles of daily use by means of the machinery turned out by the large industries. Dr. Hemchandra Joshi's quotations from the Mahabharat are a surprising revelation of the fact that ancient India polity had already realised Karl Marx's withering of the state. Among contributions is a short article dealing with recent progress of the co-operative movement in India. Another deals with the methods resorted to by big business in order to evade income-tax. Thus in the space of less than twenty pages, the journal gives a panoramic view of our present socio-economic position and we commend it to the attention of the Hindi-knowing public.

INDIAN EXPRESS, Madras.

CHIEF MINISTERS SPEAK

(Rs. 2-8-0)

THIRD YEAR OF FREEDOM

(Cheaper Edition Re. 1-8-0)

The Congress which is the party in power, has done something like stock-taking in these two publications of the A. I. C. C. which mainly enumerate the achievements of the Central and the State Governments since India became free in 1947.

In the first publication, the Chief Ministers of the States—including those of Hyderabad and Kashmir—give something like a resume of the multifarious activities of their respective Governments. The Central Minister, Mr. R. R. Diwakar, explains India's policies in his "Three Years in Retrospect". "Third Year of Freedom" analyses the different problems that confront the Government today and also the steps taken by the authorities to solve them. The maps of individual States indicating their various features are given as also the pictures of Ministers of the Central and State Cabinets. There is an appendix which gives the names of the Ministers and also their portfolios. Both publications carry a foreword by Dr. B. Pattabhi Sitaramayya.

These two publications in short contain a fund of information about governmental activities in free India and are sure to prove handy reference books to the professional politician and the common citizen alike.

Indian Express, Madras.

The All-India Congress Committee deserve to be congratulated on bringing out the reports of the Chief Ministers of most of the important States on the work done in their areas. The Prime Minister of India gets the fortnightly letters from Chief Ministers and writes to them also fortnightly. The public here have got the well-thought-out reports of the Chief Ministers.

Hindustan Times, New Delhi.

We congratulate the A. I. C. C. on issuing the year's progress report from August 1949 to August 1950 with such dispatch. "Mere study of pathology, however, brings no relief to a patient," writes Dr. Pattabhi, "unless it leads to radical treatment and cure," in his foreword..... The success of a democracy rests ultimately on public opinion. The voter should be initiated into the increasingly complicated mechanism of administration in a Welfare State. Governments are proverbially dilatory in publishing reports; the Congress Central Office has done a welcome job making useful information available.

Hindustan Times, New Delhi

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