Archives I – 10,006 – 16-8 77.

(1) Number of pages 22

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(3) Initials of the Referencer bvs

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Fin DEPARTMENT

G.O. No. / ~~B.P. No.~~	915/916.	Press. / Mis.	
Dated	21 - 5 -	1881 -	19XX.

12/13

Not to be folded or roughly handled

11

B.S.L.

915/916
1

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

21st May 1881, Nos. 915-16.

Loans.

Read the following paper:—

Proceedings of Government in the Revenue Department, dated 19th May 1881, *No.* 798 [*Current No.* 1208].

ORDER THEREON, 21st May 1881, No. 915.

Ordered that the Government of India be addressed.

(Signed) R. DAVIDSON,
Chief Secretary.

To the Secretary to the Government of India, Department of Finance and Commerce, dated 21st May 1881, *No.* 916.

I am directed to transmit copy of the marginally-noted Proceedings of this Government in the Revenue Department and to request that the Governor-General in Council will sanction a loan to the Andipatti Poligar of Rs. 40,000 at 6 per cent. interest on the security of the Andipatti estate in the Coimbatore district, the loan to be administered by the district Collector.

No. 900, dated 27th July 1880.
„ 798, „ 19th May 1881.

2. The reasons which induce the Right Honorable the Governor in Council to make this recommendation are set forth in the second of the Revenue Department Proceedings above quoted.

3. I am to request that the decision of the Government of India may be communicated by telegraph.

(Signed) R. DAVIDSON,
Chief Secretary.

Exd. E. C. Shunker.

Govt. of (1881) Madras.

FINANCIAL.

Dated May, 21st.

Issued

Recd.

Read

G.O., 21st May 1881, Nos. 915-16.

MAY.

Loans.—Letter addressed to Government of India requesting sanction to the grant of a loan to the Andipatti Poligar of Rs. 40,000 at 6 per cent. interest on the security of the Andipatti estate in the Coimbatore district.

915/916
2

No. 1,004.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 22nd July 1880.

Read the following letter from F. A. NICHOLSON, Esq., Acting Collector of Coimbatore, to C. A. GALTON, Esq., Secretary to the Board of Revenue, dated 16th July 1880, No. 126 :—

I HAVE the honor to bring to notice the following matter for the orders of the Board.

2. The Andipati Polliput* is the largest in the district. It has been for centuries in the hands of its present owner's family, there have been no difficulties that I can ascertain in the way of collecting the Government peishcush, and there have been no complaints by ryots against the Poligar.

* Extent.	Assessment.	Peishcush.	Population.
ACS.	RS. A. P.	RS. A. P.	
14,965	16,117 5 6	5,166 5 3	8,147

3. From 1862 till 1870 the late Poligar was a minor and the estate came under the Court of Wards, who left the minor with a free estate and over Rs. 9,000 in hand. In spite of this lump of money in hand the young fellow got into debt at once, and in order to carry on litigation in which a maintenance dispute involved him he borrowed money on certain terms. The result of his borrowing both for litigation and for a youthful Poligar's expenses was that when he died in 1879 he had judgment-debts against him of about half a lakh.† Not only so, but he was in the following case : his estate was by virtue of a Razinamah subsequent to judgment handed over to his two principal creditors for ten years under certain arrangements which left the Poligar's position perfectly hopeless as regards the eventual extinction of the debt. He died, however, in 1879, and the present Poligar, a lad of twenty-one, was registered as Poligar in October 1879. In order to pay off a number of minor creditors the new Poligar at once borrowed a sum of money from a new creditor who engaged to pay off these minor creditors in consideration of this new bond, which under a judgment now involves a further debt of about Rs. 9,000. The position of the new Poligar was then as follows : his ancestral estate was in the possession of two creditors in satisfaction of the interest of a debt ; he was bound at the end of a certain term to pay this debt (of about half a lakh) or see the estate pass from him for ever, and he owed Rs. 9,000 or so to a third party. At the same time he had had nothing whatever to do with accumulating this debt, which was entirely the result of the late Poligar's imprudence or misfortune.

† Rs. 54,000.

4. Being perhaps ill-advised that the debts were not binding on him, he seems to have, or is alleged to have, interfered in the affairs of the estate ; this, of course, brought down the mortgagors, who proceeded to file a suit against him for execution of the original decree. It will be noted that the mortgagees had already been in possession for about two years under the Razinamah, which virtually, though apparently not legally, rescinded the original decree, replacing it by a fresh bargain. The District Judge decided that the decree had been rescinded and that no suit could lie but only a fresh one for recovery of possession if their possession had been interfered with ; the High Court, however, on appeal took the opposite view and decreed execution of the original decree. Thereupon the estate, of course, had to come to the hammer.

5. The Poligar now took further advice and appealed to me to apply to the District Court to hand the estate over to the Collector under Section 326 of the Civil Procedure Code. Copy of petition is enclosed for the Board's perusal. On considering all the above facts, and that an ancient Poliput was, for no fault of its present owner, to be summarily brought to the hammer ; that the change of ownership and division among several new owners was not likely to be beneficial either to the Government or to the ryots ; and that, under the circumstances of the case, it was improbable that the estate would go for anything like its real value, I decided to move the Court to grant time until I could obtain the opinion and orders of the

Board on the subject of taking over the estate; as I was only petitioned two days before the date of sale (23rd June) I was unable to apply for previous instructions. On applying to the Court (*vide* copy of application enclosed) the Court at once granted two months' time, and I now make this application to the Board.

6. If the Board sanction the taking over of the estate by the Collector, the latter will have all the powers of Sections 320 to 325-C to arrange for the settling of the debt in almost any way he pleases. It would be premature here to discuss particulars of ways and means for paying the debt, but I may mention (1), that from a conversation I have had with the judgment-creditors I am convinced that for money down a very large discount would be taken off; (2), that one, if not two, of the creditors would prefer cash to the estate or a share of it; (3), that there would be no difficulty in borrowing the sum at once; (4), that, as shown by previous experience in 1862—70, the estate can pay a large surplus. As regards the last point, I find from the records of the Court of Wards' management that during those eight years debts to no less than Rs. 30,000 were paid off, the minors educated, the Government peishcush and commission duly paid, and a sum of Rs. 9,000 accumulated (*vide* my application to the Court). The same is now possible, and the arrangements would probably be to borrow upon the security of the estate (which is worth more than a lakh) or a part of it, pay off the judgment-debts, compounding with the creditors for a heavy discount in consideration of cash, and gradually pay off the fresh debt from the surplus income of the estate. I am assured that there are no other creditors, and, in fact, no others have claimed as they would have claimed before the Court, and that there are no family claimants to be satisfied out of the estate.

7. Under the above circumstances, I beg to recommend that the Board will authorize the Collector to take over the estate from the Court under Section 326 and administer it under the provisions of Sections 320 to 325-C.

8. The date of sale is the 23*rd proximo*, and as it has already been postponed this date is probably final. I beg therefore to request early orders.

Enclosure No. 1.—Petition from Zemindar of Andipati.

Enclosure No. 2.—Collector's application to the Court.

Submitted for the orders of Government.

2. The Board are opposed to the policy of intervention in favor of impoverished proprietors and doubt whether any lasting good will result from it.

(A true Copy and Extract.)

(Signed) C. A. GALTON,
Secretary.

To the Secretary to Government, Revenue Department,
with two original enclosures to be returned.

Copy to the Collector of Coimbatore.

Exd. A. S. Rodgers.

915/916
3

1880.

Board of Revenue,

MADRAS.

To

THE SECRETARY TO GOVT.,

REVENUE DEPARTMENT.

Dated July 22nd.

Printed 30th.

Received

PROCEEDINGS, 22ND JULY 1880, No. 1,004.

JULY.

No. 1,004.

Andipati Polliput—in Coimbatore District.—Submitting for orders of Government letter from Collector requesting authority to apply to the District Court to take over the — under Section 326 of the Civil Procedure Code.

915/916/4

ENCLOSURE No. 1.

ABSTRACT.—Petition of the Zemindar of Andipati to the Collector praying for certain reasons that the estate may be taken under Government management.

ENCLOSURE No. 2.

Letter from the Collector to the District Court of Coimbatore, dated 23rd June 1880.

Representation under Section 326 of the Code of Civil Procedure.

SHOWETH,—That it has come to notice that the Andipati Polyput is to be sold for a judgment-debt believed to be about Rs. 64,000.

That the Polyput has been in the hands of the present family from time immemorial and it is believed that no difficulty has hitherto been found in realizing the public revenue nor have there been complaints by the ryots against the Poligar.

That, should the Polyput be now sold, it is likely that it will be split into fragments to the great inconvenience of the ryots and Government.

That the present registered holder is a young man of only twenty-one who has only just come to the estate and is in no way connected with the accumulation of the chief debt for which his ancestral estate is to be sold.

That the Polyput is worth at least one lakh of rupees; that its gross income is about Rs. 15,000, of which about Rs. 5,600 are payable as peishcush, leaving Rs. 9,400 as the gross income of the Poligar, about two-thirds of which will be available for paying off the debt with interest; that from 1860 *to* 1868 it was under the care of the Court of Wards, during which time the *late Poligar was duly maintained and educated, debts amounting to* 30,071 *rupees paid off, and Rs.* 9,157 *accumulated* while under the Court of Wards.

That, under the above circumstances, the sale of the whole Polyput for a judgment-debt of Rs. 64,000 is open to objection, since it is believed that proper management for a period of about twelve or fourteen years would entirely free the Polyput from its liabilities and restore it to its ancestral holder.

That the undersigned is prepared to move the Board of Revenue to permit the Collector to take the estate under management under Section 326 of the Code of Civil Procedure and therefore requests that the sale may be adjourned for one month to obtain the orders of the said Board of Revenue.

COIMBATORE,
23rd June 1880.

(Signed) F. A. NICHOLSON,
Acting Collector.

(True Copy.)

(Signed) F. A. NICHOLSON,
Acting Collector.

915/916/5

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

29th July 1880, No. 900.

No. 459. READ THE FOLLOWING PAPER:—

Proceedings of the Board of Revenue, dated 22nd July 1880, No. 1,004.

ABSTRACT.—Submitting for the orders of Government letter from the Collector of Coimbatore relative to the taking over of Andipati Estate under Government management.

No. 460. ORDER THEREON, 29th July 1880, No. 900.

Miscellaneous.

THE Governor in Council thinks it but reasonable to sanction the proposal of the Collector, who should take care to scrutinize the claims with legal advice so as to ensure that those admitted are chargeable on the estate.

(True Extract.)

(Signed) C. G. MASTER,
Secretary to Government.

To the Board of Revenue.

Exd. A. S. Rodgers.

45 Copies.

915/916
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GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

19th May 1881, No. 798.

READ THE FOLLOWING PAPER:—

No. 314. Proceedings of the Board of Revenue, dated 28th April 1881, No. 736.

Read the following letter from W. WILSON, Esq., Collector of Coimbatore, to E. GIBSON, Esq., Acting Secretary to the Board of Revenue, dated 12th April 1881, No. 91:—

IN G.O., No. 900, dated 29th July 1880, Revenue Department, sanction was accorded to the management by the Collector of the Andipatti Poliput in this district, in accordance with the provisions of Sections 320 to 326 of the Civil Procedure Code. In answer to the notice issued under Section 322-A, fifteen claims, aggregating Rs. 93,428-0-8, have been put in. These have been tabulated in two schedules, the former containing decree debts under Section 322-A (*a*), the latter embracing all other claims under Section 322-A (*b*). In Schedule I are entered two claims, the one for Rs. 31,408-3-2, the other for Rs. 10,277-10-1; it was on an application made by the judgment-creditor for the sale of the estate in satisfaction of the former of these claims that the Collector intervened under Section 326 of the Code. The creditors in Schedule I offered to compound their claims for Rs. 23,000 in the one case and Rs. 8,850 in the other if payment were made before the 17th April 1881. Both claims must be admitted; both are decree debts and can be enforced by execution.

The thirteen claims entered in Schedule II aggregate Rs. 51,742-3-5; all must be admitted except—

(1.) The first, that of Ramasawmy Gownden for Rs. 32,080.

(2.) The sixth, that of Sreeneevasa Iyengar for Rs. 2,295-10-0.

The twelfth claim, that of Periyana Chetty for Rs. 851-15-7, need not be considered at present, as the claimant did not appear in terms of the notice, and payment of his claim must be postponed therefore in accordance with Clause 3, Section 324-A.

The same remark applies to the thirteenth claim, that of Komara Kathiroya Naicker for Rs. 5,000; the claim is so far vague and undetermined; no particulars of it have been furnished and the claimant failed to appear in terms of the notice issued under Section 322-A.

The reasons why I consider the first and sixth claims in Schedule II to be inadmissible* are these:—

(*a.*) *First claim, Ramasawmy Gownden's.*—This claim of Rs. 32,080 which the claimant offered to compound for a payment before 17th April of Rs. 21,000 is based on a razeenamah filed in Original Suit No. 3 of 1880† on the file of the District Court of Coimbatore. This razeenamah was tendered as a compromise and settlement of the matters in issue between the parties of whom the claimant Ramasawmy Gownden was one of the plaintiffs and the present Poligar was one of the defendants. The razeenamah was not accepted by the Court; no decree followed upon it, and the plaintiff's suit was dismissed. The decree was not appealed against; the time for appeal has long since passed, and the decree is final. It is obvious that the razeenamah not being embodied in a decree that could be executed is absolutely valueless; it cannot be executed as a decree, and it cannot of course form the basis of a new action. This claim is, therefore, barred by operation

* The final adjudication of this matter rests with the Civil Court to which a case will be submitted under Clause 3, Section 322-B.

† Judgment in the suit enclosed (to be returned.)

Govt. of (1880) Madras.

REVENUE.

To

THE BOARD OF REVENUE.

Dated July 29th.

Printed August 6th.

Read.

Encl.

G.O., 29th July 1880, No. 900.

JULY.

Nos. 459-460.

Andipatti Estate, Coimbatore District.—Sanctioning with remark the proposal of the Collector relative to the taking over of the — under Government management, who should take care to scrutinise the claims with legal advice so as to ensure that those admitted are chargeable on the estate.

of law, and cannot be allowed by a Collector executing a decree under the provisions of the C. C. P. as he is of course bound as a Civil Court would be by the provisions of Section 4 of the Limitation Act XV of 1877.

(*b*). *The sixth claim, Streenecvasa Iyengar's.*—This claim so far as it is based on the simple bond of 1876 is barred by prescription, and so far as it is based on alleged payments for peishcush in excess of the rents received for the estate while in claimant's possession under terms of a mortgage executed by the late and present Poligars to the claimant's late father and another on the 17th August 1877 is barred by the very terms of the deed which expressly covenanted against any such claim being made or allowed.

The sum total of the other nine claims in Schedule II which are, in my opinion, admissible is Rs. 11,514-9-10, for which the creditors agreed to accept Rs. 8,298 if paid within the 17th April.

The whole claims against the estate could therefore it seemed be liquidated by a payment before 17th April of Rs. 40,148. Taking into consideration the amount now at the credit of the estate it appeared that Rs. 40,000 would be required to free the estate from its present encumbrances, and it became necessary to consider how this sum could be raised. The financial position of the estate is this: the average income is about Rs. 14,900 a year; the public charges amount to Rs. 6,100, leaving a balance of Rs. 8,800 from which must be deducted Rs. 500 for remissions, bad debts, &c., and Rs. 936 for the maintenance of the Poligar and the members of his family, leaving Rs. 7,364 for the payment of debts.

With a view to raising the necessary funds negotiations were entered into with the firms noted in the margin. All but Messrs. Arbuthnot and Co. at once declined to advance money on the security of the estate. Messrs. Arbuthnot and Co. at first offered to lend the money provided (1) it were repaid at the end of two years and (2) that Government guaranteed its repayment, but I have today received from the Sub-Collector a letter to his address from Messrs. Arbuthnot and Co. in which they intimate that under legal advice they are unable to advance it. It is not improbable that they would still willingly lend it if Government guaranteed its repayment, and it is possible that on this condition they would lend it for the seven years and-a-half that it would take to pay it off, capital and interest. Unless Government are willing to give this guarantee, or, as suggested by the Sub-Collector, to lend the money themselves at 6 per cent., the estate must be sold either in whole or in part to satisfy the claims upon it. It is hardly probable that the Sub-Collector's suggestion will commend itself favorably to Government in the present financial condition of the empire; its adoption would create an inconvenient precedent, and I cannot recommend Government loans to impoverished proprietors at a time when the grants to our irrigation works are so miserably inadequate.

Messrs. Binny and Co.
„ Stanes and Co.
„ Parry and Co.
Bank of Madras.
Messrs. Arbuthnot and Co.

There are thus but two ways of raising the money wanted—

(1) For Government to guarantee repayment of a loan of Rs. 40,000 at 8 per cent. from Messrs. Arbuthnot and Co.;
(2) For Government to advance Rs. 40,000 at 6 per cent;

and I have the honor to request that I may be informed as early as possible whether Government is prepared to do either.

The Sub-Collector has been instructed to ask the creditors to extend the term of composition-payment to the 15th May.

ENCLOSURES Nos. 1 and 2.—Statements.

ENCLOSURE No. 3.—Copy of Judgment in Original Suit No. 3 of 1880.

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SUBMITTED for the orders of Government.

2. The Board are not prepared to recommend the adoption of either of the courses submitted for consideration by the Collector.

(A true Copy and Extract.)

(Signed) E. GIBSON,
Acting Secretary.

No. 315. ORDER THEREON, 19th May 1881, No. 798.

Miscellaneous.

THE Right Honorable the Governor in Council does not adopt the view taken by the Collector and the Board of the desirability of granting a loan from the Public Treasury in this case.

2. The estate is a very ancient one and the largest in the district. The encumbrances are not due to extravagance on the part of the present proprietor and are not heavy. Rs. 40,000 will clear an estate assessed at Rs. 16,000, and charged with a peshkash of Rs. 5,000. The maintenance of substantial landholders of traditional influence is an important State policy recognised by law, and in the opinion of the Right Honorable the Governor in Council not to be abandoned, because temporarily insufficient grants are made for irrigation repairs.

3. Application will be made accordingly in the Financial Department to the Government of India for the grant of a loan at 6 per cent. interest on the security of the estate.

4. It is presumed that, in sifting the claims entered in Schedule II, the Collector has borne in mind the precaution enjoined in G.O., dated 29th July 1880, No. 900, that those only should be admitted that are chargeable on the estate.

(True Extract.)

E. Bowerbank

Secretary to Government.

To the Financial Department, with copy of G.O., 29th July 1880, No. 900. / Sent copy of enclosure
„ the Board of Revenue.

Exd. J. W. Fischer.

55 Copies.

Spare copies will be sent for if necessary

Financial

Gobt. of (1881) Madras.

REVENUE.

To

THE FINANCIAL DEPARTMENT,

&c., &c., &c.

Dated May 19th.

Printed June 4th.

Recd. Encl.

G.O., 19th May 1881, No. 798.

MAY.

Nos. 314-315.

SUBJECT.

Loan to clear the Andipatti Poliem in Coimbatore District from debt.—Stating, for reasons assigned, that the Right Honorable the Governor in Council does not adopt the view taken by the Collector and the Board of the desirability of granting from the Public Treasury a —; requesting, with remark, the Financial Department to make an application to the Government of India for the grant of a loan at 6 per cent. interest on the security of the estate.

915/916
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Financial (1881) Department.

(Loans)

From Proceedings of Govt
R.R.D. Deptt

10 MAY 81

No. 798.

Dated 19
Reed. 20 } May 81

No.

CURRENT No. 1208.

SUBJECT.

Passing orders on
Bd: Proceedings No: 730 &
28th Apl: 81 submitting for
orders of Govt: with remarks,
letter from Collector suggesting
certain ways of relieving the
Andipatti Polliput in
Combatore from its present
Encumbrances.

Financial Department.

915/916
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PROCEEDINGS of the MADRAS GOVERNMENT.

READ the following letter from Secy
of Government in the Revenue Deptt,
Dated 19th May 1881 No 798. (Communicated No
1208)

Order thereon 21st May 81, No 915.

Ordered that the
Government of India
be addressed.

No 916.

To
The Secretary to the
Government of India
Dept of Finance &
Commerce.

Sir,

I am directed to
transmit copies of
the

Dated 22/5/81
with copy of Govt
Pro. No. 730 of 80
& No. 798 of 81 —
Sup. Co

the marginally noted
Proceedings of the
Government in the
Revenue Department,
and to request that
the Governor General
in Council will grant
a loan of Rs 40,000
at 6 per cent interest
on the security of
the estate in the Town Satara Pt.

No 900 dated 27 July 1850
No 798 dated 19 May 1851

a/c Rs Rudrapatta Belgaum

2. The reasons which
induce the Right
Honble the Governor
in Council to make
this recommendation
are set forth in the
records of the Revenue
Deptt

Deptt Proceedings above
quoted. 915/910/10

3. I am to request
that the decision of
the Government of India
may be communicated
by telegraph.

Collector Outfit 30

the loan be
administered by
the District Collector.

2/9/51

Govt. of {188 } Madras.

To

Dated
Read. } 188 -, No.

Nos.

915/916
11

Audit office

Govt. of 1881 Madras.

Fwl

DISPOSED OF

31 MAY 81

D.W.G.C. No. 915/916

(11)

Loans. Letter addressed to Collector of Nellore granting sanction to the grant of the Andipatti Poligar of Rs 40,000 at 6 per cent interest on the security of the Andipatti estate in the Nellore District &c &c

Letter Book &c

Reporting Sanction

do do