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MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.

1409

Press

Mis.

Dated

6-8

1864

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
6th August 1864.*

Read the following papers:—

- No. 102. Proceedings of the Board of Revenue.
Submitting, for consideration, with remarks letter from the
Officiating Director of Revenue Settlement, forwarding
proposals for the Revenue Settlement of the four Talooks
of Kurnool Proper. (Here enter 12th May 1864, No. 2,849.)
- No. 103. Minute by the Honorable the President.
(Here enter 25th June 1864.)
- No. 104. Minute by the Honorable T. Pycroft.
(Here enter 23rd June 1864.)
- No. 105. Minute by the Honorable E. Maltby.
(Here enter 18th July 1864.)
- No. 106. ORDER THEREON, 6th August 1864, No. 1,409.

Land Revenue.

1. The foregoing papers relate to the settlement of that portion of Kurnool which formed the original District, and in which the works of the Irrigation Company are situated. It comprises the Talooks of Ramalakota, Nundikootoor, Nundial, and Sirwel, with an area of 2,800 square miles, and a population of 3,32,300 souls.

2. When the settlement was commenced it was the intention of Government to assess all irrigable land with a consolidated Nunjah assessment, and to pay over to the Irrigation Company, as the price of the water supplied by them, the difference between this consolidated assessment and the assessment which would have been chargeable on the land, if unirrigated.

3. The land consequently has been assessed both as "irrigated" and "unirrigated," but under the subsequent orders from the Home Government for the imposition of a dry assessment representing the tax on the land, and a separate water cess payable for water when supplied, it is

Wet cultivation of Fusly 1270.		Acres.
Under Tanks	6,591	6,591
Under Channels	1,835	1,835
Under Wells	3,934	3,934
		<u>12,360</u>

unnecessary for Government to take into consideration the calculations, &c., connected with the consolidated assessment. The area irrigated from Government sources is, moreover, very small, being only 12,360 Acres exclusive of Inam land but inclusive of irrigation from wells.

4. CLASSIFICATION.—The classification of soils was carried on the same principles as in		Acres.	Total	
Permanently Improved			4,389	
Regar clay	Pure	5,77,069		
	Loamy	3,14,443		
	Sandy	80,064		
			<u>10,02,476</u>	
Red clay	Pure	1,737		
	Loamy	73,734		
	Sandy	46,228		
			<u>1,21,699</u>	
			<u>11,28,564</u>	

Trichinopoly and the other Districts in which the Settlement Department have operated. Regar clay, or Black Cotton soil, is the prevailing soil of these Talooks, no less than 88.83 per cent. of the area being of this description, and the remainder red clay, with a few acres of "Permanently improved" land as shown in the margin.

5. GROUPING OF VILLAGES.—A very marked difference in the soils on each side of the Yerramallay hills has led to the villages being divided into two groups, those to the eastward of the range, where the soil is far superior, being assessed at a higher rate for the same class of land than those to the westward.

6. STANDARD CROPS.—The standard crops selected are white Jonna for the Regar clay and Araga for the red clay soils. The Board of Revenue point out that the selection of white to the entire exclusion of yellow Jonna is unfavourable to the Ryot, inasmuch as the area on which the latter is grown (19 per cent.) though less than that (38 per cent.) cultivated with the white variety, is still considerable, and the price of

		Per Madras Garce.
Average price of white Jonna for 19 years	112	112
Do. of yellow	98	98

yellow Jonna is also much lower. The latter, they also remark, was the standard grain taken by Mr. Bayley in his proposed Settlement.

As regards the selection of Araga for the red clay soils, Mr. Master observes that a larger area is cultivated with Karra, and that he originally intended to take this grain jointly with Araga for the standard. He abandoned the intention, however, on finding that the result of taking both grains would be as nearly as possible the same as that of taking one.

7. GRAIN VALUES.—These have been fixed with reference to experiments made by the Department, to Mr. Bayley's proposals and to information obtained from other sources. Mr. Master remarks that the experiments of the Department were of necessity confined to a single season, but the values taken correspond very nearly with those proposed by Mr. Bayley, whose investigations were very carefully conducted and have been accepted by the local officers and the Board of Revenue as affording the most trustworthy data procurable. A deduction of 25 per cent. from a full crop has been made for ordinary agricultural risks, &c. The Board consider Mr. Morris' values for a full crop to be framed on a high estimate of out-turn.

Vide Statement P.

8. COMMUTATION PRICES.—The returns of prices are for the series of years from 1839-40, when the District came under British rule, to 1861-62 the year in which the settlement operations were commenced; and the commutation rates are based on the average of the 1839-40, when the District came under British rule, to 1861-62 the year in which the settlement operations were commenced; and the commutation rates are based on the average of the

	Max.	Min.	Average.	Proposed.	Mr. Bayley's whole period, during the Ryots selling months, without excluding famine or exceptional years. Their rates are much higher than those proposed by Mr. Bayley; but this is the necessary consequence of the rise in prices since that period. The Board consider them too high. The series of years they remark, includes several of scanty produce and famine prices, which ought to be excluded from the average, and they anticipate that the ultimate effect of the Irrigation Company's works will be to reduce prices by increasing production without greatly improving the means of conveying produce to other markets. The Board do not, however, propose any rate in substitution of them.
White Jonna	192	48	107	105	64
Yellow do.	179	43	90	105	64
Araga ...	110	25	63	60	None.

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Vide Statement P. I.

9. CULTIVATION EXPENSES.—The cultivation expenses range from 12 Annas to Rupees 5-3-1 per Acre, the value of the straw being set off against the ordinary keep of the cattle employed. In some lands a small sum has been allowed for manure and grain for cattle during the ploughing season, and if, as is most probable, the grain values are founded on the produce of fields so cultivated, the allowance is fair enough.

10. MONEY RATES.—The money rates calculated on the above data are based on taking half the net produce as the share of Government. They range from Rupees 3½ to 4 Annas per Acre, and include both Road Cess and Village Service Fees. The inclusion of the former at the rate of 2 per cent. on the assessment is in accordance with the orders of Government, but Mr. Morris erred in adopting the same course with the Village Cess. The amalgamation of all demands on the Ryot, however, has much to recommend it, and it would further be inexpedient to make any alteration at this stage. The Collector, Mr. Minchin, approves of Mr. Morris' rates, except that, in concurrence with his Deputy Collector, Ragoonada Rau, an officer of great experience, he considers that some of the red clay land, assessed at 8 Annas, might with advantage be placed in the lowest class charged, 4 Annas. The Board of Revenue also consider that the inferior soils are too highly assessed, but do not mention what particular soils they refer to. In this respect the Government are willing to leave the settling officer a reasonable discretion when he introduces the new settlement, for it must be expected that classification however correct as a whole, will need occasional rectification.

11. FINANCIAL RESULTS.—The want of correct survey areas prevents an accurate calculation of the financial results of the new settlement. The average gain by survey as yet is about 11 per cent., and making allowance for this and dealing with the small extent of Nunjah on the principle of a separate water cess, the Board estimate the result of the settlement at Rupees 7,10,752, while the demand in Fusly 1270 was Rupees 6,88,099. The new assessment would thus have

resulted, in an addition of Rupees 22,653 to the assessment in that year, but out of the aggregate sum, Rupees 12,976 would have been laid out on roads for the benefit of the Ryots. The Board are apprehensive that the new assessment is higher than the District can bear, especially when the large extent of Ináms is charged with quit-rent in commutation of the reversionary claims of the State on them. They have, however, no hesitation in recommending the introduction of the revised rates at once, as the speediest method of testing and, if necessary, correcting the assessment. Mr. Minchin does not appear to share these apprehensions, the District, he says, is enjoying a high degree of prosperity: the value of land is high, there is little culturable waste, the revenue is collected with extraordinary ease and punctuality, and all that is needed is an equalization of the land tax. He adds that he should have suspected some error in the calculations if the result of the new settlement had been a falling off from the existing revenue.

12. The Government see no reason to fear that the proposed assessment is too high. The average rate is Rupees 1-0-9 per Acre, and the great bulk of the ordinary land of the District is charged at 1½ Rupees and under, as shown in the margin.* The local operations, classification, grain values, &c., all appear to have been conducted with great care, and (except as regards the classification of some of the poorest lands) are accepted by the District officers. M. Bayley's proposed revision was conducted on a different principle in several important respects, but such comparison as can be instituted between his and Mr. Morris' results is in favour of the latter. The Board consider the commutation price too high, as the series of years on which it is framed includes eight of famine or famine prices. But on the other hand, it includes twelve of prices much lower than, so far as can now be foreseen, are likely again to occur. Of the years mentioned by the Board, Fusly 1263 was certainly a year of famine, but the other years do not appear from the Agent's Settlement Reports to have been especially adverse. In every series of years some unfavourable seasons must be expected, but against these must be set the advantage gained by the Ryots in good years. The seasons Fusly 1269 to 1272 were all good, and the high prices of Fusly 1272 and Fusly 1273 do not enter into the average.

* Rate.	Area.
Rs. A. P.	Acres.
2 8 0	30,571
2 0 0	4,357
1 8 0	1,41,793
1 4 0	37,086
1 0 0	1,53,463
0 13 0	71,023
0 8 0	1,81,507
0 4 0	55,733
	6,75,533

† Fusly.
1263
1264
1265
1269
1270
1271
1272
1273

13. The Government see no reason, therefore, to reduce the commutation price, and they resolve to accept the proposed assessment, which they regard as fair and moderate and well within the means of the people.

// 14. The revised assessment includes Road Cess and Village Fees.

15. There are some minor points for decision.

I. The proposal to abolish the "exceptional" class of "permanently improved" lands. If the improvement of these lands has been caused by the outlay of private capital, as for instance by the construction of wells, &c., they certainly ought not to be specially taxed, but if they owe their exceptional fertility to the deposit of alluvial matter or any natural cause, they may with perfect justice be taxed higher than ordinary land. The abolition of the special tax on private wells has already been ordered by Government.

II. The mode of assessing the small extent of irrigated land, viz., 8,726 Acres under tanks and channels. The Collector and Board strongly recommend that, in consideration of the trifling extent of this land, it should be assessed as dry and charged with a water rate. In this view the Government concur, and this course will accordingly be adopted in conformity with the instructions of the Home Government.

*Proceedings of the Madras Government, Revenue Department,
6th August 1861.*

III. As regards second crop. The Government consider it desirable that the course adopted in the Godavery, viz., to charge the same water rate for the second as for the first crop, should be followed. Mr. Master and the Board suggest one-third of the total charge for a single crop, which on an average would be 2 Rupees, or half the present water cess of Rupees 4. The Board urge that if this appears too low, it should be remembered that the spring channels from which these lands are irrigated have not put the Government to much expense, but this argument would apply equally to rivers and streams. Mr. Morris (paragraph 44) says that the wet cultivation under the springs is most profitable on account of the supply being both unfailing and abundant, and the second crop assessment is levied without enquiry as to whether such a crop has been raised or not. The Government therefore do not see reason to charge less for the second than the first crop.

IV. There are a few acres watered by means of water-wheels at considerable expense. In these cases one-fourth the water cess may be remitted as in the Godavery and as in South Arcot, where water has to be raised by manual labour.

V. Whether the new rates shall be imposed at once, as recommended very strongly by Mr. Minchin, or gradually as in other Districts where the increase has been large. Mr. Minchin's view is the correct one generally, but there are a few villages where the increase is as much as 80 per cent., and in cases of this kind Government will leave the Settling officer a fair discretion.

16. The culturable area now waste and demarcated and classified is 1,31,000 Acres, assessed (for land and water) at 84,000 Rupees. A further extent of 70,000 Acres has been demarcated in blocks. This land will doubtless be gradually taken up as population and capital increase.

17. The instructions regarding Registers, issued in the case of the Trichinopoly District will be followed in Kurnool. Mr. Master will arrange for immediately carrying the Settlement now proposed, and as the Deputy Director's experience in these operations is comparatively limited, the Government consider it desirable that he should proceed to Kurnool and see the work fairly commenced.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

To the Board of Revenue.
,, the Officiating Director of Revenue Settlement.
,, the Collector of Kurnool.

No. 2,849.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 12th May 1864.

Read again the following letter from the Officiating Director of Revenue Settlement, dated 27th October 1863, submitting proposals for the Revenue Settlement of Kurnool proper.

(In Cons. 13th November 1863, No. 7,389.)

1. Ordered that the above papers be submitted for the consideration of Government with the following remarks.

2. There has been so much discussion of late regarding the settlement of the Government Revenue demand on the land, that the Board think it well to preface their analysis of the present proposals by a few remarks on the general subject, especially as the tendency appears to them to be towards mischievous over-assessment, the evil of which is in some measure hidden by the existing exceptionally high range of prices for produce.

3. The Board would in the first instance point out that although there are laws on the Statute book for the realization of arrears of Land Revenue, there is none that creates a Land Revenue, and that the authority for levying a land tax has to be sought in the older laws and customs of the native Governments which preceded us in this country.

4. According to the Hindoo Shastras, the right of the Crown was limited to one-fourth of the produce of land, and even that proportion it was only lawful to take at a time of urgent necessity as of war or invasion. The ordinary demand was to be one-sixth, to be reduced to one-eighth or one-twelfth, according to the comparative inferiority of the soil and the difficulty of cultivating it.

5. In his report on the Land Revenue of Canara, Mr. Thackeray mentions that the settlement made by Hurryhur Roy, Rajah of Bijanuggur, between the years of our era 1334 and 1347 was based on the rules prescribed by the Shastras, and was calculated on the following proportions of the gross:—

To the Landlord.....	7½ or ¼ or 25 per cent.
To the cultivator or laborer.....	15 or ½ or 50 per cent.
To the Circar.....	7½ or ¼ or 25 per cent.

30 100

The Circar share was again sub-divided as follows:—

Circar ¼th of the gross	=5
Devadayem ⅓th	=1
Bramadayem ⅓th	=1½

Total... 7½

6. The "Mukhasima Khiraj" prescribed for the State by the Mahomedan Law was a share in actual produce, not exceeding one-half, and was not demandable when the land was left fallow. The "Wuzifa" was a fixed rate in money, or partly in money and partly in kind, and was the system adopted in the case of all who had not accepted the Moslim creed. It was payable whether the land on which it was charged were cultivated or not, unless there were special reasons beyond the control of the cultivator entitling him to remission.

7. The rate fixed for India by Akbar under this last system was one-third of the average produce of each article on land of average quality. This share was commuted into money

at the average prices of nineteen years, the settlement being made for ten years, and the cultivator having the option of paying either the fixed average third of the produce, or its fixed average price. There is reason to believe that this settlement was not renewed, as being too high.

8. The settlement ordered by Aurungzebe was a combination of the two systems, but a period of great anarchy followed his decease and continued to our own times, and during this time considerable changes seem to have taken place in the Khiraj, owing mainly to the introduction of different systems of middlemen, who met the exactions of those in power over them by extorting the uttermost from the cultivators.

9. It was unfortunately to the traditions of this tyrannous system that the British Government succeeded, and the effect was for many years manifest under its rule in the depressed state of the landed interests, a state of things which can scarcely yet be said to have ceased, although the more liberal policy of recent years has certainly ameliorated matters.

10. In the Extract from Minutes of Consultation, dated 14th August 1855, inaugurating the present revision, it was admitted that cultivation was repressed by the excessive burdens on the land, direct and indirect, the rates being based generally on an assumed proportion of 50 per cent. of the gross produce in irrigated land, and of 33 per cent. in that of unirrigated. It was estimated that the proportion of the crop actually taken by Government at that time was not less generally than 50 per cent. on irrigated, and 35 per cent. on unirrigated land. It was declared to be the opinion of Government that 30 per cent. of the gross produce of land estimated according to its productive power in quantities of ordinary grain crops, should be the *maximum* of the Government demand, and it was assumed that, after allowing for certain deductions the average share taken by Government would be about 25 per cent. or one-fourth of the gross produce. Lord Harris recorded his opinion that if one-third of the gross were equal to two-thirds of the net produce, it was more than should be taken with a just regard to the rights of the cultivator and the real interests of Government.

11. The Home Government again and again impressed on the local Government the paramount importance of liberality in dealing with this matter, so that in all seasons alike the landholder might be able to meet the Government demand with ease.

12. It remains to be seen how far the present proposals are within the just and politic limits of the Government demand as indicated in the foregoing remarks. And it may here be noted that there are two defects connected with the present operations which tend to induce excessive assessments. One is that a Government demand assessed on a large tract of country on the basis of the aggregate of a great number of individual field assessments is almost certain to be excessive, as was many years ago pointed out by Sir T. Munro. The other is that although our previous knowledge of the actual areas of holdings was most imperfect, still we had acquired the habit of estimating the old rates to be so much per acre or *Kani*, and now we are too apt to consider that rates less than these former estimates must be necessarily lighter, forgetting that the new rates are assessed on an accurately surveyed area, so that the aggregate demand on a holding is likely to be far in excess of the former assessment, although the rate per acre may appear to be much less than what was formerly assumed. In other words, although a Ryot's holding is no larger than formerly, the tax on it may be far heavier as to its actual incidence.

13. The Board proceed to review briefly the proposals made by the late Mr. F. Morris and generally accepted by Mr. Master for the revision of the settlement of Kurnool proper, the tract of country in which the operations of the Irrigation Company are now being carried on, and in which therefore under the orders of the Home Government the land is to be assessed according to its productive power *without irrigation*, and a separate water rate is to be charged when irrigation is supplied. A great part of the discussion in Messrs. Master and Morris's reports has reference to a consolidated Nunjah assessment. The Board will pass over this part of the correspondence as

superfluous, now that the Home Government have positively decided against the consolidated system in cases such as Kurnool, and have executed a contract with the Irrigation Company which precludes its adoption in this particular instance.

14. The area of land under consideration is, according to the revenue accounts, about 2,800 square miles, of which nearly 1,200 square miles consists of land liable to pay full assessment to Government, about three-fourths being in actual occupation and one-fourth waste. The extent of Inam land in the same tract is 686 square miles, besides 50 square miles of Agraharum land. Mr. Morris estimated that the increase by Survey would be at least 11 per cent. on these revenue areas, which are based on Mr. Bayley's survey.

15. The country has been under our rule only since 1839, and thus the data derivable from the records of past years are comparatively limited.

It came to us after a long course of oppressive rule, and the palliative measures of relief that were at first applied resulted in a steady decrease of revenue up to 1843. From that year up to the present time there has been a gradual rise in prices, so that they now range three times as high as they did twenty years ago, and this fact, coupled with the revision of the assessment in individual cases, and the general abolition of the high tax on special products, has caused a steady increase in the prosperity of the District.

16. In the year when we assumed the Government, the Land Revenue amounted to Rupees 6,86,817. Four years later it had sunk to Rupees 5,49,873. From that date it began to mend, and rose without a check, except in two disastrous seasons, till in 1862 it reached Rupees 7,90,876, *inclusive* of the Jodi or quit-rent on Inams. A permanent reduction in the rates on the occupied land, to the extent of Rupees 9,565, slightly aided this result, and the improved state of the District is further established by the fact that while in 1841 temporary remissions of taxation to the extent of Rupees 64,866 were deemed necessary, no such remissions at all were needed in 1861 and 1862.

17. Mr. Morris noticing how much this result is dependant on high prices which are liable to fluctuate, especially when, as is probably now the case, exceptional circumstances have driven them up to an abnormal position, arrives at the conclusion that the gross amount of revenue now derived from the occupied area is about as much as it can bear, and that re-adjustment is what is needed to place the Government assessment on a just and proper footing.

18. The revision of the rates has been conducted on the principles generally followed by the Department, as understood by Mr. Morris, the steps being,

1. Classification of soils.
2. Assignment of grain values representing the out-turn per acre.
3. Commutation of grain values into money.
4. Determination of *net* values per acre, by deducting one quarter for agricultural risks and unprofitable areas, and also the estimated cultivation expenses.
5. Final settlement of rates by taking half the net value, *plus* 8.17 per cent. for Road Fund and Village cess, and by reducing the results to round numbers by excluding fractions.

The Board proceed to notice the details of these processes.

19. *Classification of Soils.*—The alluvial, sandy, and cretaceous series are almost or altogether wanting in this District. The small extent of alluvial deposit has been taken into consideration in determining the Sub-division in which the land enriched by it should fall.

There is an inconsiderable fraction of artificially improved soil which would come ordinarily into the No. II Division of the established Departmental Classification, but the bulk of the soil is composed of the Régur and Red clays in the following proportion :—

Main Series.	Sub-divisions.	Sorts.	Per centage.	
Régur Clay.	Pure III.....	1	5	
		2	24	
		3	19	
		4	3	
		Total...		51
	Loamy IV... ..	1	5	
		2	13	
		3	13	
		Total...		31
	Sandy V... ..	1	1	
		2	3	
		3	3	
		Total ..		7
	Grand Total of Régur Clay...			89
Red Clay.	Pure VI.....	1	A fraction.	
		2		
		Total...		
	Loamy VII.....	1	2	
		2	5	
		Total...		7
	Sandy VIII.....	1	A fraction.	
		2	4	
		Total...		4
	Grand Total of Red Clay.....			11
	Total...			100

20. Mr. Morris states that the valley of the Kundair lying between the Nullamalais or main line of the Eastern ghats on the east, and the detached range known as the Erramalais on the west, is composed of an almost unbroken expanse of the finest Régur soil in the District, of great depth, and vastly superior to the character of the soil elsewhere in the District; and to meet this striking inequality he proposes to divide the villages into two classes or groups as regards Régur lands, those villages to the north and east of the Erramalais being placed in the first class, and those in that range of hills and to the west of them composing the second class, a trifling exception being made in regard to a small group of villages in the Ramalakota Taluk, which, though containing soil of good quality, are yet not equal to the most superior lands.

21. He makes a general proposal regarding the class of permanently (artificially) improved lands, based on a remark of the Board in connection with the Kistna Settlement.

22. The Board in their Proceedings dated 17th October 1862, No. 6,927, remarked on the proposal to rate certain lands with reference to their asserted special adaptation to the growth of sugar-cane, instead of with reference to their estimated productive power as expressed in the Standard irrigated crop, that the proposal was opposed to the principles of the settlement, and that the tendency to rely on exceptional circumstances in this manner needed specially to be guarded against in regard to the "permanently improved" class of land, the Board having observed a disposition on the part of the Settlement officers to extend this class in a manner which the Board deemed objectionable.

23. Mr. Morris observes on this that the Board did not state the case correctly in assuming that the Settlement officers rated these lands with reference to special products; but in this he is wrong, for the particular case that the Board had in view at the time was one where they accidentally came to know that Coconut gardens had been placed in the "permanently improved" class solely by reason of their being planted out, and irrigated by wells, at considerable cost, and thereby converted into a valuable property at the expense of the Ryot.

24. Mr. Morris, however, proceeds to admit the soundness of the Board's criticism, inasmuch as the supposed superior quality of the land on account of which it is subjected to special rates, is due not to the naturally inherent fertility of the soil, but to the labor and expenditure of the Ryot. He therefore proposes to abolish this class altogether, and to rate the land included in it with the best class of the land under which it would naturally fall were the artificial improvements of the cultivator excluded from the calculation.

25. The Board entirely approve Mr. Master's proposal to abolish this class as regards well lands, which indeed is only in accordance with the recent orders of the local Government and with the old orders of the Home Government. They have long felt that the adoption of a special rate for this improved class of land generally, is directly opposed to the liberal yet only just policy which led the Government to proclaim some years back that no one should be subjected to additional taxation on account of improvements to his land effected at his own cost; and they do not consider that this departmental arrangement is consonant with the intention of Government when they declared that garden lands should be classed as first sort Punjab, on the ground that such land would generally constitute the highest class of dry land. The Board would have recommended that this special class should be abandoned altogether, had it not been generally adopted in the other Districts to which the operations of the Department have extended, but in any case the greatest care should be exercised in selecting the land to be placed in it. The Board are glad to know that this was done in Kurnool, and the exclusion of all the well lands will remove much of the objection to this special class.

26. *Grain Values.*—The next step in the Settlement processes is to estimate the out-turn per acre of each class of soil in terms of standard grains. For this purpose Messrs. Master and Morris adopted White Paddy as the standard for irrigated cultivation, but inasmuch as the whole tract now under consideration is to be assessed as dry or unirrigated, and a separate water rate added when irrigation is obtained from other than private works, this portion of the calculation is superfluous.

As the whole existing area of irrigated cultivation including well lands is only 12,360 acres exclusive of Inams, or about 2 per cent. of the unirrigated cultivation, the anomalous treatment of this fractional area is comparatively unimportant.

27. For dry lands the staple crops selected are white Jonna or Jowary for Régur soils, and Araga for the Red clays. The former crop constitutes nearly 58 per cent. of the dry cultivation of the District, and is grown chiefly on the black or Régur soils. The cultivation of Araga is not so extensive on the whole as that of Korra, but is more extensive in the Red clay soils, while the general profits from the two kinds of crop are much the same.

Cotton constitutes at present a very considerable proportion of the dry cultivation, but its position in the market is altogether so exceptional that it has been excluded from the staples.

28. In estimating the grain value of specified areas of each class of soil in the several groups of villages, the value of the straw has been set off against the cost of feeding cattle; and from the estimated gross value of a full crop per acre, as shown in the following table, an allowance of 25 per cent. has been made to meet ordinary agricultural risks, and to allow for unprofitable portions of fields as dividing ridges, fences, &c., items which are too small to be deducted in calculating the survey areas.

Appendices O, 1, 2, and 3 to Mr. Morris's report give the details from which the following brief abstract statement of grain values is drawn, the value under wet cultivation having been omitted by the Board for the reasons above stated :—

Estimate of grain value of a full crop per acre of each class of soil in Madras Measures of 100 Cubic Inches, 1 Garce = 3,200 M. M. = 8,400 lbs. Avoirdupois.

Serial Number.	Soil.	Sort.	WHITE JONNA.		ARAGA.
			First class Villages.	Second class Villages.	
			M. M.	M. M.	M. M.
II.	Permanently improved...	...	480	440	...
III.	Régur Pure.....	1	360	320	...
		2	280	240	...
		3	200	180	...
		4	120	120	...
IV.	Régur Loamy (Mussub).	1	280	240	...
		2	200	180	...
		3	120	120	..
V.	Régur Sandy (gravelly Mussub)	1	200	180	...
		2	120	120	...
		3	80	80	...
VI.	Red clay Pure.....	1	...	...	320
		2	...	...	240
VII.	Red clay Loamy.....	1	...	...	240
		2	...	...	160
VIII.	Red clay Sandy.....	1	...	...	160
		2	...	...	80

29. White Jonna has been adopted as a staple product for the purposes of the revision in every District yet taken up, and at paragraph 15 of his report Mr. Master gives a comparative table of the productive value assigned in terms of this grain to each of the standard classes of soil. A reference to this table will show that for the permanently improved land, the Kurnool rate is higher than that for South Arcot, the same as that for Trichinopoly, but lower than that for the Godavery and Kistna lands as was to be expected. For the Régur soils, the Kurnool estimate is lower than any of the others.

Araga is also a dry land standard staple in the South Arcot and Trichinopoly revision for the Red clay soils, and in these cases also the Kurnool estimate of out-turn is the lowest of all.

30. At the same time a reference to Mr. Morris's Appendices O, 1, 2, and 3, will show beyond question that he has framed a high estimate of out-turn, and in fact has, as a rule, adopted the highest that any evidence was adduced to support. That his grain values for a full crop are not inconsistent with Mr. Bayley's estimates, affords, in the Board's opinion, the best argument for accepting them.

31. *Commutation Prices.*—The next step in the process is to commute these grain values for money. For this purpose Mr. Morris was guided by the average prices of the Ryots' selling months in the whole series of years for which returns are available, viz., from Fasli 1249 to Fasli 1271.

The following abstract exhibits these prices and the proposed commutation rates:—

Price per Garce of 3,200 Madras Measures in Ryots' selling months.

	White Jonna.	Araga.
	RS.	RS.
Average from Fasli 1249 to Fasli 1252.....	63	31
Do. from Fasli 1253 to Fasli 1271, including exceptional years...	112	67
Do. do. excluding do.....	95	56
Average for whole series of years.....	107	63
Do. excluding exceptional years.....	91	51
Mr. Morris's rate.....	105	60

Mr. Bayley's rate in "the middle of 1842" (Fasli 1251-52) was Rupees 64 per garce for yellow Jonna. He did not adopt Araga for a standard crop.

32. Mr. Master advocates the adoption of the commutation prices proposed by Mr. Morris, and gives a statement of those adopted by the Department in other Districts for the same grains from which the following is abstracted:—

	Jonna per Garce.	Araga per Garce.
	RS.	RS.
South Arcot.....	116½	51½
Trichinopoly... ..	100	50
Salem.....	87	56
Godavery.....	84	...
Kistna.....	95	...
	100	...
	110	...
Kurnool.....	105	60

33. The Board are of opinion that the proposed commutation prices are too high. They observe in the first place that whether the system of taking the average of the whole series of years, including years of famine or exceptional prices, be correct in principle or not, it is certainly not the system that has been adopted in other Districts of which the assessment has been recently revised. In those Districts such exceptional years have been excluded, and consequently the average rate calculated for Kurnool is comparatively higher than that of any other District, irrespective of the fact that the number of years included in the series on which the average is calculated extends to a later period than any series adopted for the other Districts extends, and thus the average rate is still further affected by the most recent rise in prices. Thus one great object of the revision, viz., to equalize taxation on the land as far as possible, is sacrificed by this inconsistent proceeding.

34. Next the Board remark that the series undoubtedly includes some years when famine and famine prices actually prevailed in the Ceded Districts, as unfortunately they again do at the present time; and such years, as well as those immediately following them, which are necessarily seasons of very scanty produce, of emptied granaries, of hunger-stricken men and cattle, of serious losses in cattle, of debilitated laborers, and consequently of limited cultivation and exceptionally high prices, ought, in the Board's opinion, to be excluded from the calculation, and not to be so dealt with as to add to the burden of taxation on the farmer.

35. Also it is to be observed that of the two kinds of Jonna, the White and the Yellow, of which Mr. Bayley selected the latter while Mr. Morris takes the former for his standard, the white is the dearer grain, and this to a very considerable amount. It appears from the Statement at paragraph 53 of Mr. Morris's report that the area under yellow Jonna though less than that under the white variety is positively large, being upwards of 19 per cent. of the whole cultivated area.

36. Again although it is the fact that the commutation rate proposed is considerably

exceeded by the ruling prices of the day, still the Board do not think that the continuance of the present high range can safely be assumed, although it is not probable that prices will fall to the low rate which prevailed in former years.

The ultimate effect of the Company's Canals will probably be to lower prices by increasing production without affording the greatly improved means of conveying the produce to distant markets which was relied on in the original prospectus; and although to some extent

Rice may possibly take the place of Dry grains as the staple product, the Board see no reason to doubt that as in other Districts similarly circumstanced, the cultivation with partial irrigation of crops which are usually styled "Dry" will very generally prevail, unless special inducement to grow rice be afforded by the rates for water.

Fasli.	Average price of Jonna for April and May.	Average price of Araga for November and December.	Remarks.
	RS.	RS.	
1263	192	101	Famine year.
1264	144	96	Do.
1265	134	108	Do.
1266	86	53	...
1267	107	59	...
1268	112	57	...
1269	178	98	Famine prices.
1270	170	110	Do.
1271	163	110	Do.
1272	233	108	Do.
1273	..	169	Famine year.

37. The Board do not think that the probable effects of the Irrigation works on prices can safely be left out of consideration in framing an assessment which is designed to be permanent. They believe that they only express the opinion of all who are acquainted with the subject when they say that the prospect of a navigable Canal, by means of which the Ryots shall be able to convey their surplus grain to the Coast by water in the dry season, is simply chimerical, and that the probability of navigation being maintained for any portion of the year is slight in the extreme.

The Railway, should it pass through or near the District, will afford improved means of carriage for some portion of the produce for which a demand for foreign markets may exist or arise; but it is contrary to all experience to suppose that present prices can be maintained with greatly increased production, and without extraordinary means of developing new markets.

These last do not, in the Board's opinion, exist to a corresponding extent, and therefore, irrespective of other considerations based on a general view of prices throughout the country, they do not think that the continuance of present prices for produce for any length of time can safely be relied on in Kurnool.

38. From Appendix P. to Mr. Morris's report it appears that if years of actual famine and those immediately following them be excluded, the price adopted by Mr. Morris for the commutation is considerably in excess of the average price, which thus calculated is below Rupees 100 for white Jonna.

39. The Board will later on consider the proposal to have but one commutation rate for the whole District.

40. *Cultivation expenses.*—The next point to be considered is the deduction to be made for expenses of cultivation. Mr. Morris allows for the following items on this account:—

Cost of ploughing cattle.

Do. implements.

Wages for cultivating.

Cost of seed.

Wages for reaping, threshing, &c.

Value of manure.

Grain for bullocks in ploughing season.

It will be seen from Appendix Q. 1 and 2 that some of these items do not at all appear against several of the classes of land, and Mr. Morris assigns reasons for the distinctions so drawn.

41. Mr. Morris somewhat misunderstood the Board's objection regarding the usual estimate of cultivation expenses, which was that the cost of cultivating poor soils is greater than for superior soils, *relatively to the out-turn*; but the Board do not care to press the objection in a matter of detail with which it is evident that only those who have closely enquired on the spot can be fully competent to deal. The Board are confident that Mr. Morris paid every attention to the subject, and they accept his figures as approximately correct, without attaching implicit credit to the graduated scale of expense which he has included in his report.

42. A further deduction of one-fourth is made from the estimate of a *full* crop to allow for agricultural risks, and unprofitable portions of fields.

43. The result of these processes then is this.

Deducting from the estimated value of a full crop, one-fourth for agricultural vicissitudes and unprofitable portions of fields, and again deducting from the resulting estimate of an average out-turn the cultivation expenses, Mr. Morris arrived at his net value per acre for each class. Of this net value he assumed 50 per cent. as the Government share, and adding to it 4 Pie in the Rupee or 1.92 per cent. for the Road Fund, *plus* one Anna in the Rupee or 6.25 per cent. for the Village cess, total 8.17 per cent., he obtained his estimate of the total Government share on which his money rates were framed, by taking the next lower quarter of a Rupee to eliminate fractions of less than 4 Annas except at the bottom of the scale.

44. *Money rates.*—These rates are shown in the following abstract Statement for each class of village in comparison with one-half of the net, with the full Government share including

the per centages for cesses, with 30 per cent. of the gross, and with Mr. Bayley's "Primary Tirwaha" based on 50 per cent. of the gross produce under *ordinary* tillage. It will be remembered that Mr. Bayley was of opinion that this share gave *maximum* rates which ought to be reduced 25 per cent. throughout to obtain a reasonable assessment after the Inam Settlement.

First class villages. Appendix R. 1.

Per acre.

Class.	Sort.	50 per cent of the net.	Do. plus the Cesses.	30 per cent of the gross.	Mr. Morris's proposed rate.	Mr. Bayley's <i>maximum</i> rate.	Mr. Bayley's classification.
		RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
Permanently Improved II.	1	3 4 11	3 9 4	3 8 9	3 8 0	1 4 0 0	Regur.
Regur Pure III.	1	2 5 8	2 8 10	2 10 6	2 8 0	2 3 0 0	
	2	1 7 0	1 8 11	2 1 5	1 8 0	3 2 8 0	
	3	0 15 5	1 0 8	1 7 7	1 0 0	4 1 8 0	
Do. IV. (Loamy) Mussub.	4	0 7 10	0 8 6	0 14 3	0 8 0	5 1 0 0	Mussub.
	1	1 7 4	1 9 4	2 1 5	1 8 0	1 2 0 0	
	2	0 15 0	1 0 3	1 7 7	1 0 0	2 1 8 0	
	3	0 7 9	0 8 5	0 14 3	0 8 0	3 1 0 0	
Do. V. (Sandy) gravelly Mussub.	1	0 15 0	1 0 3	1 7 7	1 0 0	4 0 8 0	Lal.
	2	0 7 9	0 8 5	0 14 3	0 8 0	5 0 4 0	
	3	0 3 8	0 4 0	0 9 6	0 4 0	6 0 4 0	
	4						
Red clay Pure Lal VI.	1	1 0 1	1 1 5	1 5 7	1 0 0	1 1 0 0	Lal.
	2	0 11 11	0 12 11	1 0 3	0 12 0	2 0 12 0	
Do. VII. Loamy.	1	0 11 11	0 12 11	1 0 3	0 12 0	3 0 8 0	
	2	0 6 11	0 7 6	0 7 6	0 8 0	4 0 6 0	
Do. VIII. Sandy.	1	0 6 11	0 7 6	0 7 6	0 8 0	5 0 4 0	
	2	0 3 0	0 3 3	0 5 5	0 4 0	6 0 4 0	
	17					16	

Second class villages. Appendix R. 2.

Permanently Improved II.	1	2 15 1	3 3 4	3 3 8	3 0 0	Ut supra.	
Regur Pure III.	1	1 14 4	2 0 10	2 6 1	2 0 0		
	2	1 2 6	1 4 0	1 12 4	1 4 0		
	3	0 12 1	0 13 1	1 5 1	0 12 0		
Do. IV. (Loamy) Mussub.	4	0 7 10	0 8 6	0 14 3	0 8 0	Ut supra.	
	1	1 3 4	1 4 11	1 12 4	1 4 0		
	2	0 11 11	0 12 11	1 5 1	0 12 0		
	3	0 7 9	0 8 5	0 14 3	0 8 0		
Do. V. (Sandy) gravelly Mussub.	1	0 11 11	0 12 11	1 5 1	0 12 0	Ut supra.	
	2	0 7 9	0 8 5	0 14 3	0 8 0		
	3	0 3 8	0 4 0	0 9 6	0 4 0		
	4						
Red clay Pure Lal VI.	1	1 0 11	1 1 5	1 5 7	1 0 0	Ut supra.	
	2	0 11 11	0 12 11	1 0 3	0 12 0		
Do. VII. Loamy.	1	0 11 11	0 12 11	1 0 3	0 12 0		
	2	0 6 11	0 7 6	0 10 9	0 8 0		
Do. VIII. Sandy.	1	0 6 11	0 7 6	0 10 9	0 8 0		
	2	0 3 0	0 3 3	0 5 5	0 4 0		

45. Merging the rates for the several classes, the following result is obtained:—

No.	Dry rates per acre.		Dry rates, plus water rate of Rs. 4.	
	RS.	A.	RS.	A.
1 ...	3	8	7	8
2 ...	3	0	7	0
3 ...	2	8	6	8
4 ...	2	0	6	0
5 ...	1	8	5	8
6 ...	1	4	5	4
7 ...	1	0	5	0
8 ...	0	12	4	12
9 ...	0	8	4	8
10 ...	0	4	4	4

46. The following abstract exhibits the proposed rates for the first class villages in comparison with the other Districts in which the Settlement Department has revised the assessment:—

Class.	Sort.	DRY RATES.				WET RATES.			
		Godavery	Kistna	Trichino-poly.	Kurnool.	Godavery combined rate.	Kistna combined rate.	Trichino-poly consolidated rate.	Kurnool combined rate.
		RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.	RS. A.
II.	1	5 0	3 8	3 8	3 8	8 0	6 8	9 4	7 8
III.	1	4 0	2 8	2 0	2 8	7 0	5 8	6 8	6 8
	2	3 0	2 0	1 8	1 8	6 0	5 0	5 8	5 8
	3	1 8	1 4	0 8	1 0	4 8	4 4	3 4	5 0
	4	...	...	...	0 8	...	...	...	4 8
IV.	1	3 0	2 0	2 12	1 8	6 0	5 0	7 8	5 8
	2	2 4	1 8	1 12	1 0	5 4	4 8	6 8	5 0
	3	1 0	1 0	0 10	0 8	4 0	4 0	3 8	4 8
V.	1	2 4	1 8	1 8	1 0	5 4	4 8	5 8	5 0
	2	1 12	1 0	1 0	0 8	4 12	4 0	4 0	4 8
	3	1 0	0 10	0 8	0 4	4 0	3 10	3 4	4 4
VI.	1	2 0	1 4	1 0	1 0	5 0	4 4	4 0	5 0
	2	1 0	0 12	0 10	0 12	4 0	3 12	3 8	4 12
VII.	1	1 0	0 12	1 12	0 12	4 0	3 12	6 8	4 12
	2	0 8	0 8	1 0	0 8	3 8	3 8	4 0	4 8
VIII.	1	0 12	0 8	1 0	0 8	3 12	3 8	4 0	4 8
	2	0 6	0 4	0 8	0 4	3 6	3 4	3 4	4 4

NOTE.—The wet rates for the Godavery and Kistna are formed by adding Rupees 3 to the dry rate. For Kurnool by similarly adding Rupees 4. For Trichinopoly the rates are those recently ordered by Government to be introduced.

47. Mr. Morris assumes that as Mr. Bayley's rates were deemed liberal, *a fortiori* those proposed by him must be so; but at the same time he points out that his process differs in essentials from that of Mr. Bayley, inasmuch as—1st, he has taken a full crop with an allowance of only 25 per cent. for vicissitudes of season, &c., on which to base his grain values, while

Mr. Bayley takes an ordinary crop and assumes that the difference between this, and a full crop is,

25 per cent. in the best lands.
40 do. in ordinary Mussub.
50 do. in the red clays.

and 2ndly, Mr. Bayley modified his rates according to distance from the village site, as has also been done in some Districts by the Settlement Department, though on a different system, but Mr. Morris left this point out of consideration.

48. Mr. Bayley, it must further be observed, expressly stated that his rates were *maximum* ones, which would need to be reduced considerably to give the Ryots a property in their holdings when the Inam Settlement should have been introduced; but the Board may at once remark that no comparison can be instituted between rates of assessment when the classification of the land itself does not correspond in the two cases, for it is of course dependant on the *application* of the rates whether they are capable of comparison or otherwise.

Now so far as the Board can judge, the incidence of Mr. Morris's rates would be essentially different from that of Mr. Bayley's rates.

49. Mr. Morris has included the Road and Village cesses in his assessment, and in so doing has, as pointed out by Mr. Master, made the mistake of calculating the per centage on one-half of the net, instead of on his rates based on the due proportion of the net; but Mr. Master further remarks that as the rates are finally adjusted by excluding small fractions, the addition would in many instances have been got rid of in this subsequent process, and that the course adopted by Mr. Morris was really productive of less error than a double adjustment of fractions, first, in calculating the rates on the proportion of the net produce, and secondly, on adding the due per centage to the rates for the cesses. He gives at paragraph 22 of his report a table to show exactly what Mr. Morris's rates for the land are in comparison with one-half, and one-third of the net after deducting the per centage addition for cesses; and he remarks that thus adjusted, the rates are considerably less than one-half of the net produce, *except in a few of the lowest classes*. He advocates the adoption of the rates with a slight modification, which only applies to the case of consolidated wet rates, and which therefore for reasons already stated, the Board deem it unnecessary to take into consideration.

50. *Results of Survey.*—Before estimating the financial results of his proposals, Mr. Morris remarks on the probable results of the survey in bringing land to account.

Mr. Bayley estimated that the measurement made under his orders on Sir T. Munro's system was probably not more than 10 per cent. wrong in any one field, or 5 per cent. in the culturable area of any one village.

51. Mr. Morris gives in Appendix T the Survey areas of twenty-five villages of which twenty-three are in one Taluk, on the total of which the error in the Kurnums, measurements is 10.145 per cent. less than the true area, the error being in three cases an excess, and in twenty-three a decrease ranging from 3 to 46 per cent. Mr. Master has since obtained the areas of eleven more villages in the same Taluks, and the excess area brought to account by survey is on the average of the whole 10 per cent.

Mr. Morris assumes 11 per cent. increase for dry lands in estimating the financial results of his proposals, and 5 per cent. increase in the area of existing wet cultivation, which was probably measured by the Kurnums with more care than the dry.

52. *Financial results.*—These financial results are stated in paragraphs 101 to 108 of Mr. Morris's report, and in paragraphs 29 to 34 of Mr. Master's report. Elaborate details are given in Appendix U, V, W and AA of these results. But inasmuch as both gentlemen have assumed that a consolidated or combined wet assessment will be imposed on the irrigated area on behalf of Government, the statements scarcely exhibit what, under the orders of the Home Government and the contract with the Irrigation Company, the result of applying a dry rate to the whole area and a separate water cess must be.

The Board have therefore prepared the following abstract Statement which they believe will be found correct according to Mr. Morris's proposals:—

First Class Villages.

Main series.	Sort.	Rate per Acre.	OCCUPIED AREA.			Assessment at new rates.	UNOCCUPIED AREA.			Assessment at new rates.	Total Area.		Total assessment.
			Existing Dry cultivation.	Existing Wet cultivation.	Total.		Dry.	Wet.	Total.		Acres.	Rs.	
II	1	Rs. 3 8	Acres.	2,847	2,847	Rs. 9,964	Acres.	71	71	Rs. 249	2,918	10,213	
III	1	2 8	29,961	1,739	31,700	79,950	610	27	637	1,592	32,337	80,842	
	2	1 8	1,19,558	654	1,20,212	1,80,318	2,444	79	2,523	3,784	1,22,735	1,84,102	
	3	1 0	79,465	206	79,671	79,671	5,666	28	5,694	5,694	85,365	85,365	
	4	0 8	9,489	11	9,500	4,750	3,974	3	3,977	1,989	13,477	6,739	
IV	1	1 8	18,245	2,354	20,599	30,899	1,546	219	1,765	2,648	22,364	33,547	
	2	1 0	51,626	1,086	52,712	52,712	12,078	102	12,180	12,180	64,892	64,892	
	3	0 8	42,435	419	42,854	21,427	22,745	107	22,852	11,426	65,706	32,853	
V	1	1 0	3,386	249	3,635	3,635	1,100	33	1,133	1,133	4,768	4,768	
	2	0 8	6,735	114	6,849	3,424	3,415	20	3,435	1,718	10,284	5,142	
	3	0 4	6,402	.....	6,402	1,601	7,108	.....	7,108	1,777	13,510	3,378	
VI	1	1 0	105	.....	105	105	.....	.....	.....	.....	105	105	
	2	0 12	218	.....	218	164	57	.....	57	43	275	207	
VII	1	0 12	4,245	.....	4,245	3,184	1,342	.....	1,342	1,006	5,587	4,190	
	2	0 8	11,516	.....	11,516	5,758	10,065	.....	10,065	5,033	21,581	10,791	
VIII	1	0 8	942	.....	942	471	265	.....	265	133	1,207	604	
	2	0 4	7,365	.....	7,365	1,841	7,042	.....	7,042	1,761	14,407	3,602	
			3,91,693	9,679	4,01,372	4,79,174	79,457	689	80,146	52,166	4,81,518	5,31,340	

Second Class Villages.

Main series.	Sort.	Rate per Acre.	OCCUPIED AREA.			Assessment at new rates.	UNOCCUPIED AREA.			Assessment at new rates.	Total Area.		Total assessment.
			Existing Dry cultivation.	Existing Wet cultivation.	Total.		Dry.	Wet.	Total.		Acres.	Rs.	
II	1	Rs. 3 0	Acres.	554	554	Rs. 1,662	Acres.	13	13	Rs. 39	567	1,701	
III	1	2 0	4,309	320	4,629	9,258	48	5	53	106	4,682	9,364	
	2	1 4	28,743	186	28,929	36,161	1,470	32	1,502	1,877	30,431	38,038	
	3	0 12	34,980	138	35,118	26,339	2,872	66	2,938	2,204	38,056	28,543	
	4	0 8	8,371	.....	8,371	4,186	1,776	.....	1,776	888	10,147	5,074	
IV	1	1 4	6,335	607	6,942	8,678	538	25	563	704	7,505	9,382	
	2	0 12	17,472	691	18,163	13,622	1,928	88	2,016	1,512	20,179	15,134	
	3	0 8	20,728	236	20,964	10,482	10,423	164	10,587	5,293	31,551	15,775	
V	1	0 12	1,542	49	1,591	1,193	219	6	225	169	1,816	1,362	
	2	0 8	8,463	35	8,498	4,249	2,043	16	2,059	1,029	10,557	5,278	
VI	1	1 0	5,163	18	5,181	1,295	6,746	31	6,777	1,694	11,958	2,989	
	2	0 12	37	.....	37	37	.....	.....	.....	.....	37	37	
VII	1	0 12	5,044	.....	5,044	3,783	605	.....	605	454	5,649	4,237	
	2	0 8	12,422	.....	12,422	6,211	3,835	34	3,869	1,935	16,291	8,146	
VIII	1	0 8	1,548	.....	1,548	774	317	.....	317	157	1,865	931	
	2	0 4	11,051		11,051	2,763	4,856	14	4,870	1,218	15,921	3,981	
			1,66,665	2,834	1,69,499	1,31,036	37,718	494	38,212	19,311	2,07,711	1,50,347	

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53. The general result is shown below :—

	Occupied area.			Unoccupied area.	
	Acres.	Rupees.		Acres.	Rupees.
<i>First Class villages.</i>					
Existing dry cultivation... ..	3,91,693 }	4,79,174	Dry.. ...	79,457 }	52,166
Do. wet do.	9,679 }		Wet... ...	689 }	
<i>Second Class villages.</i>					
Existing dry cultivation... ..	1,66,665 }	1,31,036	Dry... ...	37,718 }	19,311
Do. wet do.	2,834 }		Wet... ...	494 }	
Total...	5,70,871	6,10,210		1,18,358	71,477
Average ..	1	1 1 1		1	0 9 7

The above gives the result of applying a Dry assessment to the whole culturable area, as obtained from the Kurnums' accounts without allowing for increase by survey.

First Class villages... ..	Acres. 9,679	Well lands... ..	Acres. 3,787	54. The area of existing wet cultivation included in the above is Acres 12,513, of which Acres 3,787 are well lands, and Acres 8,726 are irrigated from Tanks and Channels.
Second do. do.	2,834	Tank, &c. do... ..	8,726	
	12,513		12,513	

The existing assessment on this irrigated area is Rupees 86,891, but as under the present settlement and the prevailing system the area under wells will be dealt with as dry land so far as Government are concerned, the Tank and Channel lands alone need to be considered in estimating the financial results of the revision.

55. Making the necessary percentage addition to the areas for gain by Survey as assumed by Mr. Morris for occupied land, the following Estimate of the resulting revenue is arrived at:—

Existing Dry cultivation or occupied area.		Acres.	Assessment.	Average per acre.
			RS.	RS. A. P.
1st Class villages... ..		3,91,693		
2nd do. do.		1,66,665		
		5,58,358	5,85,479	1 0 9
Add 11 per cent. estimated gain by Survey ...		61,419	64,403	
Total...		6,19,777	6,49,882	
<i>Existing Wet cultivation or occupied area.</i>				
1st Class villages... ..		9,679	20,637	
2nd do. do.		2,834	4,093	
		12,513	24,730	1 15 7
Add 5 per cent. for gain by Survey...		626	1,236	
Total...		13,139	25,966	
Grand total...		6,32,916	6,75,848	1 1 1

Total as above.....	RS. 6,75,848
Deduct.	
Road Fund at 1.92 per cent. 12,976	
Village cess „ 6.25 42,240	
	55,216
8.17	
Net balance Rupees...	6,20,632
Acres.	
8,726	
4 Rupees.	
Rupees...	34,904

56. Deducting from the above total, the per centage addition for the Road Fund, the net Land assessment comes out Rupees 6,20,632, to which the Board presume may be added at least Rupees 34,904, as the water rate to be derived at Rupees 4 per acre for a single crop from the *existing* area of wet cultivation under Tanks and Channels, which revenue must in any case be fairly due to Government without charge by the Irrigation Company, who must

supply the water *gratis* to that tract which has hitherto been amply supplied, so far as it comes under the Company's works.

RS.
6,20,632
34,904
6,55,536

RS.
6,55,536
55,216
7,10,752

57. With this addition the total estimated future revenue comes out Rupees 6,55,536, as compared with Rupees 6,83,099, the settled demand for Fasli 1270.

But if the per centage for Road and Village cesses charged on the land be added, the total Government demand on the occupied area of Fasli 1270 will be Rupees 7,10,752, exclusive

of the water rate payable to the Company for any increase in the irrigated area.

53. At paragraph 33 of his report Mr. Master gives a statement of financial results showing Rupees 7,28,403 as the estimated result of the application of the rates to the area of Acres 6,32,916, with the addition of a water cess of Rupees 4 on the <i>whole</i> existing area of wet land in occupation, <i>including well lands</i> , which comes sufficiently near to the Board's estimate to render further scrutiny into the calculation unnecessary.	RS.
Board's Estimate of Dry assessment.....	6,75,848
Add Rupees 4 water rate on <i>whole</i> Wet occupation...	50,052
Total...	7,25,900
Mr. Master's Estimate.....	7,28,403
Difference...	2,503

The difference of Rupees 2,503 is probably due mainly to the addition made by Mr. Master on account of Road and Village cesses, to the demand on the *whole* irrigated area.

59. The foregoing review of the proposals of the Settlement Department may be closed by the following comparative abstract Statement:—

Average settled demand of twenty years from Fasli 1252 to Fasli 1271.	Highest demand during same period, Fasli 1271.	Lowest demand during same period, Fasli 1253.	Settled demand of Fasli 1270.	Board's Estimate of revised settlement exclusive of Road and Village cesses.	Board's Estimate of revised settlement inclusive of Road and Village cesses.
RS. 6,27,316	RS. 6,99,896	RS. 4,91,510	RS. 6,83,099	RS. 6,55,536	RS. 7,10,752

60. There is one small item of revenue to be added to the above, viz., the charge for *second crop* on the 1,121 Acres now watered by spring channels. This however is not included in the

estimates of Messrs. Master and Morris so far as the Board can ascertain, and the Board notice it here merely to bring forward the question of the manner in which any portion of the existing wet cultivation (other than well lands) *not* coming within the influence of the Company's works, shall be dealt with.

61. The means do not exist of ascertaining what the extent of such land is, but in any case it can be but very trifling, and it will be seen from paragraph 22 of Mr. Minchin's letter included in the Appendix to the report, that he advocates a fixed water rate for *all* the irrigated land, irrespective of the source of supply. Under the peculiar circumstances of the case, and with reference to the very limited area with which it can be necessary to deal, the Board concur in this opinion. It therefore only remains for them to consider how the *second crop charge* shall be assessed on the still more limited area concerned.

62. The Company's officers have claimed that the supply for a second crop shall be paid for at no lower rate than is fixed for the first crop so far as the area under their works is concerned; but the consideration of the question has been deferred, as the prospect of their being able in the

absence of reservoirs to supply water for a second crop to land which has never hitherto produced more than one wet crop, appears to be very remote; and the Board see no reason why present arrangements for the small extent of land now in question should be modified with reference to a remote contingency, which not improbably may never occur.

63. Mr. Master suggests that an addition of one-third of the total charge on a single crop should be made to form a consolidated assessment for double crop land, which rate has been approved by Government for the Trichinopoly District.

64. It will be observed from the above abstract Statement that the average dry assessment on the existing area of wet cultivation comes out Rupees 1-15-7, which with the addition of the Rupees 4 water rate for a single crop, makes a total of Rupees 5-15-7, or Rupees 6 per acre for single crop wet land. One-third of this would be Rupees 2, or just one-half of the water rate for a single crop, and the average total charge on the double crop cultivation may thus be roughly estimated at Rupees 8 per acre, the total additional revenue derivable from the 1,121 Acres by this addition to the assessment, being Rupees 2,242. The rate appears to the Board to be fair and reasonable, and they recommend its adoption.

65. If it be objected that it is too low, the Board would point out that the source on which the second crop is dependant in these cases, viz., a spring channel, is not one in the creation or improvement of which the Government has had much part or incurred much expense, as in the case of Tank irrigation, and that under the circumstances stated in paragraph 44 of Mr. Morris's report, the total resulting demand on this limited area may safely be viewed as a permanent consolidated double crop assessment.

66. As future sources of increased Land Revenue, there is a demarcated area of 1,18,358 Acres, representing at Mr. Morris's rates a dry assessment of Rupees 71,477, as calculated by the Board. Of this area 1,183 Acres are irrigable from existing sources, but 266 Acres are under

wells. There remain 917 Acres of waste irrigable from existing Tank and Channel sources. A Rupees 4 per acre water rate on this small area would produce Rupees 3,668. It may be a question whether the Company should be required to irrigate this area free of charge to Government.

67. A further area of some 70,000 Acres has been demarcated in large blocks as culturable waste, but has not been demarcated or classified in detail.

68. In concluding this review of the Settlement officers' proposals, the Board may observe that there are numerous minor points discussed by Messrs. Morris and Master, and by the Collector Mr. Minchin, which the Board have left altogether unnoticed as being questions connected solely with the rate to be paid for water supplied under varying circumstances by the Company, and which under the contract entered into with them by the Secretary of State cannot in any way affect or modify the assessment on the land.

69. The Board proceed to bring together in one view briefly the objections to some parts of the assessing process and of the proposed assessment, that appear to them deserving of consideration. Some of these have been already incidentally noticed in the foregoing paragraphs.

70. The Board would first remark generally on the capability of the District to bear any increase of assessment, or even so high a tax on the land as was hitherto levied, that the proportion of full assessed land to Inam land in the tract in question is only as 100 is to 62, as shown in the margin.

Seri..	...	Acres.
Inam..	...	4,81,518
	...	2,99,369

Vide Appendix M. 2.

It is scarcely necessary to insist on the great relief practically afforded to the District by this very large proportion of favorably assessed or freehold land, but it is to be remembered that hereafter this assistance will be materially lessened by reason of the fact that very large additions have been made to the Inam Jodi or quit-rent by the Inam Commissioner, in consideration of those tenures being enfranchized

from liability to lapse to Government, or in other words to revert to full assessment, and also in consideration of the relinquishment of the condition of service in the case of the former Service Inams.

This addition to the payments of a Ryot whose holding includes Inam of either kind, must increase very largely the average rate per acre on his entire holding.

71. Next as regards the assumed average increase detected by Survey in the area of holdings, the Board would point to the small number of villages for which the Survey areas were obtained, and the excessive range of error found in the occupied lands, viz., from a decrease of 28 per cent. to an increase of 46 per cent., the decrease appearing in only three villages out of twenty-five.

Bearing in mind the unexpected results that have followed elsewhere on Survey, the Board feel little confidence in this average estimate, and are prepared to find that the ultimate increase in the demand on individual holdings due to this cause will be more than 11 per cent.

72. Further as regards comparison with the revenue of past years, the Board would draw attention to Mr. Bayley's remarks on the excessive inequality of assessment that has hitherto resulted from the manner in which the profits of Inam land were taken into consideration in fixing the Government demand, so that any increase in the demand on full assessed land resulting from survey and re-assessment ought at once to induce the suspicion that the rates are too high, while a material decrease should excite neither surprise nor suspicion.

73. To proceed to the detailed processes.

74. The Board accept Mr. Morris's Classification of soils. Their objection to the class of "Permanently improved" as involving an additional tax on private enterprise is one of principle, and is applicable to the operations of the Department generally, and not specially to Kurnool.

75. The Board also accept the selection of Standard grains, the very exceptional position of Cotton in the market justifying its exclusion although it constitutes the third largest item in the cultivation of the District. They would however repeat the remark that while two kinds of Jonna are grown and both to a very considerable extent, Mr. Morris selected the dearer grain of the two as his standard for Regur soils. He has, however adopted a cheaper staple (Aragu) than did Mr. Bayley as his staple for the Lal series.

76. Next as regards full crop Grain values, the main objections which occur to the Board concern the estimates of wet produce, which greatly differ from those of Mr. Bayley, and in the Board's opinion without sufficient reason. But inasmuch as the whole tract is to be assessed as dry, this error (as the Board consider it) will not affect the final results. It needs however to be specially remarked that while the Settlement officers propose only an abatement of 25 per cent. from their estimate of a full crop to meet agricultural vicissitudes and unprofitable areas in individual fields in calculating average returns, Mr. Bayley considered the following proportions necessary to obtain a reliable average, viz.,

25 per cent.	in the best land.
40 do.	in ordinary Mussub.
50 do.	in the Red clay or Lal series.

77. The Board show below, in comparison, Mr. Morris's estimated out-turn of Jonna per acre in first class villages, reduced 25 per cent., and Mr. Bayley's estimate of an average crop under ordinary tillage. The quantities are in Madras Measures:—

Mr. Morris's Estimate adjusted.			Mr. Bayley's estimated average.		
Class.	Sort.	Madras Measure.	Class.	Sort.	Madras Measure.
		Per acre.			Per acre.
II	1	360	Regur.	1	340 $\frac{1}{4}$
III	1	270		2	270
Regur.	2	210		3	260
pure.	3	150		4	150
	4	90		5	113
				6	75
IV	1	210	Mussub.	7	200
Do. loamy.	2	150		8	120 $\frac{3}{5}$
Mussub.	3	90		9	90
				10	50
V	1	150			
Do. Sandy	2	90			
Gravelly					
Mussub.	3	60			

The comparison cannot be exact, as the classification of the soils is not identical; and it cannot be extended to the Red clay series where it would be most valuable, (they being the poorest class of soil) as the standard product is differently selected in the two cases. The kind of Jonna even is different in the cases compared, but it does not appear that this circumstance would affect the *quantity* of the crop.

The above is, however, sufficient to indicate that the present estimates of an average crop are probably in excess of what Mr. Bayley calculated after long and careful inquiry.

78. On the Commutation rates the Board have already remarked at some length, and it may suffice here to repeat that they deem them objectionably high, as being deduced to a very considerable extent from the prevailing rates in famine years and other exceptional seasons, and from the excessive prices of the most recent years, none of which have been included in calculating the average money value of land produce in other Districts of which the assessment has been revised, while at the same time the more early and cheap seasons included in the calculations in the other Districts are necessarily not available in the case of Kurnool, which came under the British Government at a comparatively recent period.

79. The Board are only able to institute an imperfect comparison between the rate proposed for Kurnool and for other Districts, but it sufficiently illustrates the Board's remark.

Jonna per Garce.

	Godavery.	Kistna.				Kurnool.
	RS.	RS.	RS.	RS.	RS.	RS.
Average from Fasli 1249 to Fasli 1268, including famine years, &c. ...	86	103	128	91	97	
Proposed Commutation rate.	84 -2	100 -3	110 -18	95 +4	105 +8	

In only one case beside Kurnool is the commutation rate higher than the average, and in that case the commutation price is far below the average of the whole District.

At paragraph 31, the Board have shown Mr. Morris's proposed rates in comparison with averages of series of years in Kurnool excluding years of exceptionally high prices, and they will only here repeat that in their opinion the prices of the latest years included in the Kurnool series are abnormally high; that prices will in all probability recede to some extent; and that the natural effect of the Irrigation Canals is to bring down prices.

80. A point of some importance reserved by the Board for consideration is the proposal of the Settlement officers to have one commutation price for the whole District, or rather to exclude from the estimate of expenses the circumstance of greater or less distance from the village site, chief markets, high roads, &c.

81. Mr. Bayley states that the Ryots constantly pressed this point on his attention, and that he never met with a Ryot who did not lay stress on its importance in estimating the relative value of lands. He proposed to raise his "Primary Teerwas" for all lands situated within a radius of something less than three-quarters of a mile from the village, having 8 zones of distance with corresponding rates of increase ranging from $6\frac{1}{4}$ per cent. to 50 per cent. at most for the nearest lands, leaving for future consideration exceptional cases in which the primary rate should be reduced on account of extreme distance, the proximity of jungle, or the unhealthiness of the locality.

82. Mr. Morris proposes to exclude the point from consideration altogether on the ground that the roads are too bad to confer any appreciable superiority of situation on the lands in their immediate vicinity; that there is only one market in the District worthy of consideration, that of

Kurnool town, while even *its* influence is too limited to justify any change in the classification of the adjacent lands; and that as regards comparative distance from the village site, the disadvantage in the case of the more distant lands is not so great as to warrant their inclusion in a lower Tarum than nearer lands of the same quality, while any other method of meeting the difficulty would tend to objectionable increase in the number of the rates.

83. The Board accept as conclusive these arguments against any modification of the rates for the several classes of land by reason of their comparative proximity or otherwise to the village site, to these lines of communication, or to the one important market in the District.

84. On Mr. Morris's estimate of Cultivation expenses, the Board have remarked that they accept it as a carefully constructed statement without attaching entire credence to its details. They will further remark here that cultivation expenses can scarcely vary so nicely as Appendix Q. 1 to Mr. Morris's report would indicate, and that on the whole it would be a more simple, and at the same time a fairer plan to allow for cultivation expenses a single rate for each "series" of soils without attempting to graduate the scale so as to obtain a different rate for each "sort."

85. In regard to the Road and Village cesses, the Board will only remark that they consider it inexpedient that these items should be blended in the rates. They would prefer that the rates should be fixed and recorded independently of these cesses, which could be added at the fixed per centage, as a distinct item in the assessment, the necessary adjustment for the elimination of minor fractions being made solely as a matter of convenience, for purposes of account. The cesses must be so calculated and brought to account in the case of Inam lands, which is an additional argument in favor of a separate or distinct cess; and this arrangement is, in the Board's opinion, especially desirable with reference to the contingency of a future change in the rates of per centage on the Land tax at which the cesses are now ordered to be calculated.

86. The Board now come to the Money rates, and on these they will generally remark that they consider those proposed for the lowest classes of soil to be too high. In this opinion they are supported by the Collector Mr. Minchin, and by his experienced Deputy Ragunadha Row, and Mr. Master himself at paragraph 23 of his report points out that in

some of these classes after deducting the per centage cesses Mr. Morris's rates come out in excess of 50 per cent. of the net.

87. At paragraph 81 of his report Mr. Morris remarks that in these lower classes of land there will be on the whole an increase in the assessment, much of the land in them having hitherto been held at nominal rates, and to this has to be added the consideration that a further increase in the charge on individual holdings will result from the more accurate determination of areas by Survey.

88. Mr. Master observes on these rates that although in excess of half the net produce, they are well under 30 per cent. of the gross; but Mr. Morris has himself pointed out at paragraph 79, that the heavy cultivation expenses in these inferior soils materially affect the proportion of the net to the gross, and no argument in favor of these rates as compared with those for the superior soils can therefore be deduced from the circumstance noticed by Mr. Master.

89. The fact remains that these inferior soils are rated for land tax *proportionately* higher than the superior soils, and thus the desired approximation to equality of burdens is not attained.

The local officers are of opinion that these inferior lands are rated *positively* too high, and the Board therefore consider that the assessment proposed for them needs to be reduced. It is in these classes of soil that the indispensable necessity of a fallow becomes a consideration of vital importance.

90. It only remains for the Board to consider in what way the new rates may best be introduced. Mr. Morris at paragraph 109 requests that they may be introduced gradually where his revision has resulted in an increase of taxation, which is the case in 174 villages out of the

whole number of 370 concerned, irrespective apparently of any increase resulting from Survey Mr. Minchin is of opinion that when the rates have been finally determined, they should be introduced at once. Mr. Master observes that elsewhere it was deemed politic to impose the increased taxation gradually.

91. The Board observe that the result of the revision is to make a very considerable addition to the burden of taxation on the Ryots, even supposing that the assumed incidence of the increase by survey proves to be correct. Mr. Morris states at paragraph 25 of his report that the practical conclusion to be drawn from the past revenue history of the District is that the gross amount of revenue that it now pays is about as much as it can bear; but the Board estimate that including the cesses, which are as much a burden on the land as the Land assessment, the result of the revision will be an increase of at least Rupees 10,000 above the highest demand on record, and an increase of nearly a lac of Rupees above the average of the last twenty years. They have pointed out that the assistance in bearing the burden of taxation hitherto derived from the large extent of Inam land must hereafter not only be very sensibly diminished, but that the increased or newly imposed tax on Inams will actually entail a considerable additional burden on the Ryots. They have however no hesitation in recommending that the revised rates be introduced at once, believing that this course will facilitate the detection and consequent correction of errors in the assessment.

92. It does not occur to the Board that there is any other point in the proposed settlement calling for remark by them, but they cannot close their proceedings without recording their high appreciation of the zeal, intelligence, and liberal intentions manifested by the late Mr. Morris in the performance of the task that devolved on him, and their deep regret that death should have deprived the Government and the country of his valuable services at so early a stage of his career.

(A true Extract.)

(Signed) W. HUDLESTON,

Secretary.

To J. D. Sim, Esq., Secretary to Government, R. D.

Copy to R. E. Master, Esq., Officiating Director of Revenue Settlement.

„ to J. I. Minchin, Esq., Collector of Kurnool.

Exd. J. Wright.

Submitting for consideration with remarks
letter from the Officiating Director of Revenue
Settlement forwarding proposals for the Revenue
Settlement of the four Taluks of Kurnool proper.

No. 2,849.

Despatched
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