M.R.O. I—30,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1562 Press Mis.

72-73

Dated 3rd June 19 1869

Not to be folded or roughly handled

No. 72. Read the following Proceedings of the Board of Revenue, dated 22nd February 1869:—

Read the following letter from the Officiating Collector of Madura, to the Acting Secretary to the Board of Revenue, dated Madura, 26th January 1869, No. 29.

I HAVE the honour to forward, for the information of the Board and Government, a communication which was laid before me yesterday by the present Zemindar of Ramnaad, in which he requests me to move the Government to assume for a time the management of the Zemindary.

2. In order to enable Government to deal with this proposal, it will be necessary to sketch briefly the present financial condition of the estate; and I shall now proceed to do so.

3. Ramnaad is at present, as the Government are aware, heavily burdened; but taking into consideration its capabilities and resources, I am of opinion that its embarrassments are merely temporary, and that, under a careful and judicious management, they would rapidly disappear.

4. Including the arrears of peishcush due to Government, the estate, up to the present time, is indebted in the sum of Rupees 12,49,914, of which Rs. 9,76,832 consist of private debts, and the remainder, of arrears of peishcush due to Government up to the end of 1868.* Taking as data the collections of the last five years, I find that the average income of the Zemindary, including recoverable arrears, amounts to Rupees 6,37,921: this we may assume to be considerably below the future income of the Zemindary; for it is an average taken from a period when the estate had been hampered by litigation, and some of the years, from which it has been calculated, have been peculiarly disastrous.

* N. B.—As a set off against the liabilities, the sum of 8,78,514 is due by the ryots to the Zemindar, and of this sum at least 2,50,000 may be assumed to be recoverable.

5. The annual expenses to be defrayed from this income are—

	RS.	A.	P.
Peishcush to Government, ...	3,24,404	3	10
Annual sum required for the maintenance of the Zemindar and his relatives, ...	84,000	0	0
Estimated cost of administration about, ...	55,000	0	0
Interest of existing debts at five per cent, ...	61,495	0	0
Total, ...	5,24,899	3	10

This, assuming the average collections of future years to be only 6,37,921 Rupees, leaves a yearly surplus of Rs. 1,13,022, which is available for the extinction of existing debts, and the improvement of the Zemindary; but in order to render this sum so available, it is necessary that the private debts should be consolidated and paid by raising a loan on reasonable terms; for otherwise the interest on Rupees 9,20,924, at twelve per cent., would annually absorb the large sum of Rupees 1,10,511. Whereas, if the money were paid by raising a loan at five per cent., the annual sum required for interest would be reduced to Rupees 46,046—a sum which would decrease yearly in proportion to the diminution of the debt.

6. I have had two personal interviews with the Zemindar: he is a young man of good address and prepossessing appearance; he seems to me to be endowed with a fair amount of intelligence and discretion, but to be wanting in the essential qualities of firmness and self-reliance. The proposal which I am now laying before Government supports and illustrates this estimate of his mental powers; and as the proposal is (so far as I know) original and spontaneous, it may be looked on as affording a real and reliable key to his character and disposition.

7. I commend this proposal to the favorable consideration of Government:—

First,—Because I think its acceptance will tend to arrest the rapid deterioration and political extinction of one of the few remaining *ruling* families of Southern India.

Second,—Because I think it will conduce alike to the advantage of the people of Ramnaad and its proprietor.

Third,—Because I consider the establishment of such a precedent to be a step in the right direction, one that if it be followed, as I anticipate it will, must produce a real and appreciable effect, inasmuch as it will directly tend to improve the status of our few remaining large landed proprietors of old families—a class which is fast falling to decay, and which, if the Government refuse to aid and support it in such emergencies as the present, must inevitably lose ground, and ere long cease to exist. Finally, I would ask Government to deal with this proposition favorably; because they are, in some measure, the cause of the embarrassments under which the Ramnaad estate now labours; and because the Zemindar has come forward and, in the most straight-forward and confiding manner, placed himself and his property entirely in our hands. Let us show him by our method of dealing with this proposal that his confidence in the justice and liberality of the British Government is well founded and judicious; and besides the satisfaction of having performed a kind and graceful act, we shall be able to congratulate ourselves on having behaved in such a manner as to advance our Government in the estimation and regard of the people of India.

8. Having thus submitted a statement of the case with my opinion for the consideration of the Board and Government, I shall refrain from attempting to elaborate a scheme for carrying into effect the policy which I have advocated; for I feel that in an undertaking of so much importance, the subject will meet with the fullest attention and consideration at the hands both of Government and the Board; and that anything in the shape of crude and perhaps ill-considered suggestions would be felt rather as an encumbrance than an aid.

9. In case, however, the Government determine to accept the proposal, and assume the management of the Zemindary, I beg to submit, for their consideration, my opinion and recommendation that the general supervision and management should be placed in the hands of an experienced Covenanted Officer. Such a selection would be agreeable alike to the Zemindar and his tenants, and would afford a strong guarantee for the just and efficient administration of the estate and the welfare of the people.

ENCLOSURES.

No. 1.—Original Yadast from the Zemindar, dated 25th January 1869, with translation.

No. 2.—Memorandum of the debts due by the Zemindar.

Translation of a Yadast addressed to the Acting Collector of Madura by the Zemindar of Ramnaad, under date the 25th January 1869.

You are already aware that owing to the mismanagement of my estate, and to the litigation of my rights which went as far as the Privy Council, it is involved in a debt of about thirteen lacs of Rupees, including the peishcush due to Government for Fusly 1277. I am now afraid that I may perhaps fail to pay the peishcush within the time allowed by Government as a matter of grace and favour; and I therefore request that you will, with your kind support, bring the following humble request to the notice of Government.

1,—That the Government will, on receiving from me a statement of my liabilities, liquidate the same at a low rate of interest.

2,—That the Government will take the estate under its management till the liquidation of the debt, or till the arrears and debts be cleared off either by me or my heirs, employing a Covenanted Officer of Sub-Collector's rank, and defraying his salary, etc., out of its proceeds.

3,—That the Government will pay me 7,000 Rupees a-month on account of my private expenses.

4,—That I may retain under me the management of the Devastanums and Chuttrums, in order to keep up my rank.

5,—That the Government will raise, to the rate fixed at the time of Istimrar or permanent settlement, the Teervah which has been subsequently reduced by the fraudulent acts of the ryots and the several Managers who had charge of the estate; and further take such steps as to make the Nunjah lands which have been lately converted into Punjah and Nunjahtaram Punjah, fit for their original cultivation.

6,—That the Government will conduct the suits now pending in the several Courts, as also those that may hereafter be instituted in regard to the affairs of the estate; and also carry on the repairs of irrigation works.

7,—That the Government will consult with me in cases of making new arrangement in regard to the levy of Warem tax, etc., and of making any large expenditure for the benefit of the estate; and,

8,—That the Government will, after the debts have been paid either from the surplus funds of the estate or from money paid by me, restore the estate either to me or to my heirs in case of my death. You need not doubt but that the income of the estate will meet the expenses attending the above arrangement; for during the time when one-third of the Nunjah and one-fourth of the Punjah lands were cultivated, the aggregate demand at the Jammahbundy amounted to 7¼ lacs of Rupees; and if the whole extent of land be cultivated, 10 lacs of Rupees can be realised. I request that you will be pleased to recommend Government to accede to my request.

(Signed) V. MOODOORAMALINGA SETHOOPATTY.

(True Translation.)

(Signed) J. R. ARBUTHNOTT,
Officiating Collector.

SUBMITTED for the consideration and orders of Government.

2. With this letter, the collector submits an application from the Zemindar of Ramnaad, praying that Government will assume the management of his estate until its surplus proceeds suffice to pay off all his debts.

3. The Collector abstains at present from suggesting details as to the manner in which the proposed management might be carried out; but he strongly recommends compliance with the Zemindar's request.

4. The Zemindar's request is certainly *somewhat unprecedented*; but it seems to show a desire on his part to improve the condition of his estate and to pay his debts, and also a confidence in the justice and liberality of Government.

5. The Board do not doubt that Government will view with concern the difficulties in which the representative of this ancient family now finds himself, and will be willing to help him to retrieve his fortunes. Government have, indeed, already declared* that the heavy expenses entailed by the litigation regarding his title to the property, give him a claim on their consideration. A compliance with the Zemindar's proposal, on the conditions which will presently be mentioned, seems to the Board the only measure that holds out a prospect of saving the family from ruin, and the ryots from the mal-administration which the poverty and indebtedness of the Zemindar must entail.

G. O., 25th August 1868, No. 225, sanctioning the payment of his arrears of peishcush by instalments.

6. It will be seen that the estate is at present very heavily burdened, and the irrigation works are also in a very dilapidated condition, and their restoration though costly, is absolutely essential to the realising of such an increased rental as shall pay off the debts.

7. The private debts of the Zemindar exceed nine lacs, and his peishcush is in arrears to the amount of Rupees 2,38,000; the latter bearing interest at six per cent., and the private debts (with one exception) at the rate of twelve per cent. The annual peishcush is Rupees 3,24,404.

8. Against these liabilities may be set off arrears of Rupees 8,78,514 due by the ryots, of which at least Rupees 2,50,000 are assumed to be recoverable.

9. The average annual proceeds of the estate are about Rupees 6,37,900; but there can be no doubt that, if properly managed, the income would, in the course of a few years, be very much increased.

10. The interest on the private debts absorbs so much of the income that the first step (supposing Government should agree to the proposed scheme) must necessarily be to pay these off. This being done, it would still take nearly seven years to clear the property of all encumbrances.

11. Should the Government favorably entertain the proposal, the Board are of opinion that it will be necessary to advance about nine lacs from the treasury to pay off the private debts at once; indeed, there appears no other way of saving the property from dismemberment and ultimate ruin.

12. The Board would attach certain conditions to this loan—namely, that the Zemindar should engage to contract no fresh debts; to pay six per cent. on the loan; to pay the same rate of interest on other sums which may be advanced for the improvement of the estate; and to leave Government entirely unfettered in their management of it, with liberty to relinquish all suits as they may be advised. Nos. 5, 6, 17 of the conditions inserted in the Zemindar's "Yadast" will have to be modified accordingly.

13. The Board would (if Government accede to this proposal) recommend that the management be placed in the hands of an experienced and judicious Officer of the rank of Sub-Collector; and that he be aided by a good and sufficient establishment.

14. The opinion of the law Officers of Government will have to be obtained as to the manner in which the temporary transfer of the estate should be effected,

the Board are in doubt whether the Zemindar can legally give the Government a lease for any period beyond his own life. They have considered it unadvisable to seek a solution of these doubts, until they have ascertained whether the proposal is likely to meet with the acceptance of Government.

15. In their order of 25th August 1868, the Government called for a report on the character and prospects of the Zemindar.

16. Mr. Arbuthnott does not allude to this call, but the report now submitted may be considered as a reply to the above reference.

MINUTE BY THE HONOURABLE H. D. PHILLIPS.

One of the grounds taken for bringing the Ramnaad Zemindary under management by a Government officer is, that it is heavily hampered by the cost of the litigation into which the present Zemindar's adoptive mother was forced by the act of a former Madras Government. I do not, however, find that the Collector or the Revenue Board have any knowledge of the cost of that litigation, or what part it forms of the total private debt of nine lacs of Rupees, which is said now to be embarrassing the Zemindar; neither can I recognise the force of the *ad misericordium* argument. The former Government acted in proper support of what was at that time regarded as their undoubted right of escheat: they were formally advised to assert that right, and they failed in securing its recognition, only in consequence of the higher Court of Appeal accepting, as correct, a new reading of the law of adoption, and determining that, provided a widow could procure the assent of the several relations of her deceased husband, she was at liberty to adopt a son, though her husband when living had placed her under no injunction to adopt. Prior to this judgment, it is notorious that the law was regarded as being, that a widow could not make a valid adoption, unless, before his demise, her husband had directed her to adopt.

2. As respects the Acting Collector's proposal to bring the Ramnaad Estate under direct management by an officer of Government, and the Board's suggestion that such officer should be of the rank of Sub-Collector, the Board, though they do not say so, may have had in their mind the precedent afforded by the management in 1848 of the Vizianagaram Zemindary. There, however, we had a young Zemindar who, on inheriting the property from his father, found himself encumbered with heavy paternal liabilities, which it was the desire of the Government to clear off from the unexpended surplus proceeds of the Estate. No application was then made that the Government, by an advance of money from the public treasury, should at once wipe out the father's debts. The Estate was brought under the control of a Special Agent (Mr Crozier), and it was a special injunction by Government that the young Zemindar should be initiated, by the Special Agent, into habits of business, and under his supervision and guidance, should learn how to conduct his own affairs, when the property had been relieved from the incubus then bearing on it. Nothing was then stated as to Government advancing funds to remove this incubus, so as to constitute itself a single creditor for six lacs with interest at six or five per cent., instead of the large amount which the original creditors were receiving.

It seems to me to be quite clear, from a perusal of the papers concerning the Vizianagaram matter, that such a proposal would not, for a single moment, have been listened to. Indeed, it will be seen, that difficulty was made about an advance of 20,000 Rupees, to enable the young Zemindar to quit Benares.

3. I think, therefore, judging from the past, and holding in mind the extreme unreasonableness, in my opinion, of the proposal made by the Ramnaad Zemindar, that the Government should now pay off his nine lacs of debt, and charge him only five per cent. on the amount until it is repaid, that the Board's recommendation on this point should not be accepted.

4. No guarantee is offered by the Zemindar for his future steady conduct and determination not again to fall into debt when the Estate shall have been restored to him. Indeed, I do not at all see what valid guarantee he could offer, and I am quite unable to understand how we are to prevent his contracting fresh debts, whilst the Estate is being nursed. His conditions, as laid down in the communication to the Collector, dated 25th January last, indicate clearly enough a desire to impede any thorough improvement of the property, and, if complied with, would, *in limine*, create insuperable difficulties in the discharge of his duties by a conscientious Revenue Officer bent on benefiting the Zemindar and doing justice to the ryots.

5. I would not permit the young man to impose any conditions whatever, save and except that he shall have a sufficient monthly allowance. I say this in the belief that the Collector and the Board's proposals as to receiving charge of the Zemindary, may be approved by the Government; but my own opinion is, that these permanently assessed Estates should stand or fall by themselves, and that it is not the proper duty of the Government to step in and act as Estate Agent and Steward, in order to retrieve any damage to the property which may have arisen from one cause or many causes. It seems to me that if Government concede what is here demanded, they establish the precedent of taking into a sort of nursing, any Estate of which the proprietor has fallen into embarrassments. It will be difficult to fix the limit of compliance with future similar applications. We may have them coming in from the Poligars and Moottadars of Salem, from the Zemindars of Tinnevelly, and from Zemindars in the Northern Circars. It will be awkward to refuse a similar indulgence; so that in the sequel, we may be using up, for private interests and concerns, our best Covenanted Revenue Officers of the middle rank in restoring to prosperity and paying capacity, Estates in connection with which our only duty ought to have been simply to receive instalments, at fixed periods, of their unvarying Peishcush.

6. On less favourable terms than the Zemindar desires to get from the Government, he would have no difficulty in securing honest energetic agents among the non-official European residents in this Presidency; and I have no doubt that there are also many able Native officers of the Government who, if left to themselves and not interfered with by persons about the Zemindar, would soon relieve the property from its present embarrassments.

7. I would draw the attention of the Government to a remark, recorded in Proceedings of the 26th August 1848, by the then Governor, that "the charge of an Estate by Government had not hitherto proved a check on extravagance, but, on

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"the contrary, would seem rather to have facilitated the borrowing of money." This remark is based on a Minute by Sir Henry Pottinger, and was concurred in by Mr. (now Sir) Daniel Elliott.

18*th March* 1869. (Signed) H. D. PHILLIPS.

MINUTE BY THE HONOURABLE A. J. ARBUTHNOT.

It appears to me very desirable that the Government should, if possible, aid the young Zemindar of Ramnaad in extricating his Estate from the embarrassments in which it is at present involved, and that, if any arrangement can be made for securing the Government against loss, and the Zemindar is willing to place his Estate under the management of an officer of Government, such management being unfettered by any conditions beyond the settlement of the annual sum to be allowed to the Zemindar for his own personal expenses and those of his family, we should be justified in applying to the Government of India for permission to advance, from the public treasury, a sum sufficient to pay the Zemindar's private debts, recovering the same, with interest at a moderate rate, say, six per cent., from the rents of the Zemindary.

2. As I observed in my Minute of the 16th July last, I consider that this young Zemindar has a strong claim on the consideration and generosity of the Government.

3. We have before us an excellent precedent in the case of the Vizianagram Zemindary, which, from a condition of embarrassment very similar to that in which the Ramnaad Zemindary is now involved, has been converted into one of the most prosperous Estates in India by the adoption of measures almost identical, except in one important particular, with those which it is now proposed by the Collector and the Board of Revenue to apply to Ramnaad.

4. The point in which the two cases differ is with reference to the means taken in the one case, and those proposed to be taken in the other, for satisfying the private creditors of the Zemindar. In the present case, it is proposed that the Government should at once advance the sum required to liquidate the private debts. In the case of Vizianagram, as I understand it, there was no advance from the public treasury—certainly none of any magnitude; but the debts were paid gradually, by the Special Agent, out of the rents.

5. In the case of Vizianagram, the aggregate amount of debt was about the same as that in which the Ramnaad Zemindary is now encumbered, *viz.*, in round numbers twelve lacs; but the rental of Vizianagram, available for the payment of this sum, was eight lacs, or a lac and a half per annum in excess of the present rental of Ramnaad.

6. It is, therefore, of greater importance in the one case than it was in the other, that a reduction should be effected in the rate of interest payable to the private creditors.

7. I would direct the Board of Revenue, after communication with the Government Law Officers and the Collector of the district, to report,

1*st*.—As to the terms upon which the transfer of the Zemindary to the management of the Government, until it is cleared of debt, should be effected, and whether such transfer would have legal validity beyond the lifetime of the present Zemindar.

2*nd*.—The details and cost of the establishment which would be required for the efficient management of the Zemindary, including the salary of the Special Agent in charge.

3*rd*.—The probable cost of placing the irrigation works of the Zemindary in proper order.

4*th*.—Whether, in the event of the Government advancing nine lacs for the payment of the Zemindar's debts, the Zemindar would be prepared to surrender the management of the Estate into the hands of the Government until the debts are paid, fettered by no condition save in regard to the amount of the allowance to be made for his maintenance.

5*th*.—What arrangements should be made for ensuring that the Zemindar shall be trained up to business habits, so that he may become fit to manage his Estate with economy and discretion, on its management being restored to him.

8. The Collector should also be instructed to satisfy himself that the statement furnished by him, under date the 26th January last, contains a full and accurate statement of the Zemindar's private debts.

9. I do not think that we could act on the suggestion made in the Acting Secretary's memorandum, that the Government, in order to obtain the temporary management of the Estate, should attach it for arrears of Peishcush under Madras Act II. of 1864: such an attachment would have no legal validity after such a sum had been recovered from the rental as sufficed to liquidate the arrears of Peishcush.

10. It remains to be considered what measures can be taken for the relief of the Zemindary, in the event of the Law Officers pronouncing any transfer of its management not to be binding on the Zemindar's successors. In this event it will clearly be impossible to make any considerable advance from the public treasury for the payment of the debts; but it may still be a question whether, by reducing the allowance payable to the Zemindar and by greater economy of management, arrangements might not be made for paying off the debts gradually, as was done in the case of Vizianagram, without any loan from the treasury. In this case the arrangement would be liable to terminate at any moment on the death of the present Zemindar; but as far as I can see, no practical inconvenience would result from such liability, which, I may observe, was incurred by the Government of Sir Henry Pottinger, when the Vizianagram Zemindary was placed under Mr. Crozier's management.

23*rd April* 1869.

(Signed) A. J. ARBUTHNOT.

MINUTE BY HIS EXCELLENCY THE PRESIDENT.

The Zemindar of Ramnaad desires to place his Estate under the control of Government, with a view to procure the liquidation of the heavy public and personal

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debts with which he is encumbered, and to secure his restoration to an improved and unincumbered property hereafter.

2. In order to carry out this project in a satisfactory manner, it would be desirable that the Government should make a loan to the Zemindar of more than nine lacs, at a moderate rate of interest, for the extinction of private debts now held at twelve per cent; that they should waive the immediate payment of arrears of Peishcush; and that they should appoint a European officer, in the rank of Sub-Collector, to superintend the administration of the Zemindary.

3. Such an intervention of Government as I have indicated, would be an unusual measure. It could only be justified on grounds of a very special character. In my humble judgment such grounds exist in the present case. I would justify these concessions on two motives: (1), on the peculiar and exceptional causes which have produced the embarrassments of the Zemindar; and, (2), on the interest of the people.

4. The family of Ramnaad have twice, within the last fifty years, experienced the evil of a disputed succession. Twice in this period has there been a prolonged and costly litigation running through all the Courts of the Presidency, and terminating before the Privy Council. The second of these Suits was between the family and the Government. What proportion of the debts which have now accumulated, may be distinctly traced to the last Suit, only determined last year, I cannot affirm. It is certain, however, that the proceedings must have been a grievous charge on the family, both in respect to the actual outlay for law-expenses, and by the diminution of receipts incidental to a doubtful proprietorship. The Government were conscientiously but, as it proved, erroneously the adversary of the Zemindar: it would be alike generous and politic on the part of Government now to come to the relief of their antagonist.

See for an account of the first law-suit the Gazeteer of Southern India, page 396.

5. The Zemindary of Ramnaad comprises an area of 2,351 square-miles, and contains 425,000 inhabitants. It is nearly as large as the Madras District, but the population bears no proportion to the extent. From all the sources of information which are open to me, I have heard but one account of this extensive half-deserted tract. It is the poorest, driest, most neglected region in the Presidency. It is constantly on the verge of famine. The people abandon it in crowds for Ceylon and for the more favoured districts of the Presidency. The *Gazeteer for Southern India* says that more than ten years ago 150,000 persons were believed to have emigrated—about half the population of the Zemindary. This may be exaggerated, but the Missionaries assure me that the emigration is incessant, and caused by the exhaustion and mismanagement of the Estate. I derive these impressions not only from the Revenue authorities, but from the Roman Catholic Missionaries, who are intimately acquainted with the condition of the Maraver country. In the absence of Government interference, I anticipate a long period of Native management powerless for good, but fruitful in mischief, concluding with the ruin of the Zemindar and the complete exhaustion of the cultivators: with Government assistance, an ancient family can easily be restored to a useful and flourishing position, while the country would be benefited by the repair of its ruined irrigation works and the creation of roads.

6. I would not be deterred by the apprehension of making a dangerous innovation or precedent. I would deal with the case on its own merits. Should a similar case present itself—a case of a Zemindar oppressed by a law-suit against Government, and of a people impoverished by chronic scarcity and neglect—I would deal with it in the same spirit.

7. The following simple statement borrowed approximatively from the information furnished by the Acting Collector, will show how easily the Zemindar and his tenants might now be extricated from their distresses. A few years later, the case might be desperate.

8 The gross rental of the Zemindary may be safely set down, under a more energetic management, at Rupees 6,50,000. The Acting Collector gives the average at Rupees 6,37,921; but the recent years have been most unfavourable, and the existence of the law-suit must have acted most prejudicially on the conduct of the cultivators and the authority of the proprietor. I heard it affirmed on all sides that, with tolerable seasons and an undisputed title, the rent would soon rise to eight lacs.

9. From the gross rental we must deduct Rupees 3,24,000 for Government tribute and Rupees 65,000 (ten per cent.) for the expense of administration. The Acting Collector says Rupees 55,000, but I have always heard it stated that the management of a Zemindary Estate may be fairly set down at ten per cent. on the gross rental. I prefer therefore to set down Rupees 65,000.

The net rental would thus be Rupees 2,61,000.

10. Out of the net rental of Rupees 2,61,000 the Government would have to provide for three principal objects:

First,—The interest of debt and a sinking fund for its extinction;

Second,—The improvement of the Estate;

Third,—The support of the Zemindar.

The private debts amount to Rupees 9,76,832: the public debt or arrear of Peishcush amounts to Rupees 2,38,082.

We have thus a total debt of Rupees 12,14,914. The schedule of debts states the amount of Peishcush-arrear to be Rupees 2,38,082, and the Acting Collector states in his letter the amount of private debt to be Rupees 9,76,832, which would be an aggregate of Rupees 12,14,914; but in his letter the Acting Collector sets down the aggregate at Rupees 12,49,914. The difference is immaterial, but let us say, with any small addition that may since have accumulated for interest or otherwise, a total debt of Rupees 12,50,000 in round numbers.

11. This amount should be consolidated as a single debt due to Government, paying twelve per cent. annually: six per cent. for interest, and six per cent. for a sinking fund. This charge would at the outset amount to Rupees 1,50,000.

I would next appropriate an annual sum of Rupees 50,000 to improvements on the Estate.

There would remain for the support of the Zemindar in the beginning Rupees 61,000.

12. As the annual sum appropriated to the payment of interest diminished, the amount of revenue thus liberated should be equally divided between the fund for the improvement of the Estate and the fund for the support of the Zemindar.

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13. The same rule should be applied to the recoverable arrears which are estimated by the Acting Collector at Rupees 2,50,000. Supposing these arrears to be paid up at the rate of only Rupees 25,000 per annum, the sum available for repartition between the two funds alluded to would not be contemptible, but we might perhaps count upon an annual recovery of Rupees 50,000.

14. Under such a system the Estate would be liberated and materially improved in the course of 16½ years, while the family would still be supported with great decency.

15. The success of the scheme which I have sketched out is conditional on two things: (1), that the Government shall advance the sum of Rupees 9,76,832, at six per cent., for the extinction of the private debts now held at twelve per cent; (2), that the Zemindar shall not contract new debts while the old debts are being paid off.

16. In order that the Government may be able to entertain the proposal of a loan to the Zemindar, we must ascertain, beyond doubt, whether the Zemindar can legally mortgage his Estate to Government, or charge it with the debt in question, so as to give the Government a right of priority to its revenues; and whether the Zemindar can transmit the obligations which he may contract to his successors. If the Zemindar can do that, the Government can safely advance the money. If the Zemindar cannot do that, it seems difficult for the Government to help him in the way of a loan. I would therefore submit this question directly and separately to the Advocate-General, reserving the other questions suggested by Mr. Arbuthnot to be dealt with subsequently.

17. Assuming that the Government can obtain a valid security in some form or other upon the Estate, there still remains the difficulty noticed by Mr. Phillips, that the Zemindar might, during the period of Government administration, be contracting new personal debts, and be thus frustrating, by his imprudence, all the good which the Government were labouring to effect. Against this contingency there is, indeed, no absolute security. We must trust in moral influence, in a sustained control by the English Agent, and in the manifest interest that the Zemindar would have in the success of the proposed management. It would be open to Government at any moment to throw up the trust they had assumed on the solicitation of the Zemindar, the terms of the act of mortgage would afford them full security for the re-payment of their advances, and the Zemindar would be left with the remainder of his Estate to settle with his personal creditors.

18. Should the Advocate-General be of opinion that the Zemindar does not possess the power of conveying his Estate to Government in such a way as to afford them valid security or to bind his successors, it would remain for Government to consider how far they could still assist the Zemindar to a better position by giving him the benefit of Government superintendence, without advancing a loan for the liquidation of his private debts. On this question, I think it is, however, better not to enter, until we have the opinion of the Advocate-General on the capital question indicated above.

(Signed) NAPIER.

May 8th, 1869.

Proceedings of the Madras Government, Revenue Department, 3rd June 1869.

No. 73. ORDER THEREON, 3rd June 1869, No. 1,562.

Land Revenue.

THE Right Honorable the Governor in Council resolves to transmit the papers above recorded to the Acting Government Solicitor, with a request that he will submit them to the Advocate-General and the Government Pleader for their advice as to whether, in the event of the Government being disposed to assist the Zemindar of Ramnaad with a loan, the Zemindar is competent to convey his estate to Government as a full and valid security for the repayment of such loan on the terms and conditions covenanted between him and the Government; and, moreover, whether the Zemindar is competent to convey his estate to Government in such manner as to exclude the claims of other creditors to whom he might become subsequently indebted; and whether the obligations contracted by the Zemindar in these respects could be made, in case of his death, binding on his heirs and successors in the Zemindary.

(True Extract.)

(Signed) R. A. DALYELL,
Acting Secretary to Government

To the Board of Revenue.
,, the Government Solicitor.

Exd. E. C. Shunker.

present time is invested in the form of Rs. 12,42,914, of which Rs. 4,75,832 consist of private debts, and the remainder, of arrears of Peishcush due to Government up to the end of 1878*. Taking no data the collections of the last 5 years, I find that the average income of the Zemindary, including recoverable arrears, amounts to Rs. 6,37,921, this we may assume to be considerably below the future income of the Zemindary, for it is an average taken from a period when the Estate had been hampered by litigation, and some of the years from which it has been calculated, have been peculiarly disas-trous.

*N.B. — As a set off against the liabilities, the sum of 6,78,514 is due by the Ryots to the Zemindar, and of this sum at least 2,50,000 may be assumed to be recoverable.

5. The annual expenses to be defrayed from this income are Peishcush to Govern-ment, Rs. 3,24,404-3-10

Annual sum required for the maintenance of the Zemindar & his relatives 84,000-0-0

Estimated cost of administration about 55,000-0-0

Interest of existing debts at 5 per cent., Rs. 61,495-0-0

Rs. 5,24,899-3-10

This, assuming the average collections of future years to be only 6,37,921 Rs. leaves a yearly surplus of Rs. 1,13,022 which is available for the extinction of existing debts and the improvement of the Zemin-dary, but in order to render this sum available, it is necessary that the private debts should be consolidated and paid by raising a loan on reason-able terms, for otherwise the interest on Rs. 9,20,924 at 12 per cent. would annually absorb the large sum of Rs. 1,10,511. whereas if the money were paid by raising a loan at 5 per cent. the annual sum required for interest would be reduced to Rs. 46,046, a sum which would decrease yearly in proportion to the diminution of the debt.

6. I have had two personal interviews with the Zemindar, he is a young man of good address and unpossessing appear-ance. He seems to me to be endowed with a fair amount of intelligence & discretion, but to be wanting in the essential qualities of firmness and self-reliance. The proposal which I am now placing before Government sup-ports and illustrates this estimate of his mental powers, and as the proposal is, so far as I know, original and spontaneous, it may be looked on as affording a real and reliable key to his character and disposition.

7. I commend this proposal to the favorable consideration of Government, 1st, Because I think its acceptance will tend to arrest the rapid deteri-oration and political extinction of one of the few remaining ruling families of Southern India. 2dly, Because I think it will conduce alike to the advantage of the people of Ramnad and its proprietor. 3dly, Because I consider the establishment of one

a precedent to be a step in the right direction; one that if it be followed, as I anticipate it will, must produce a real and appreciable effect; inasmuch as it will directly tend to improve the status of our Zemindary remaining large landed proprietors of old families; a class which is fast falling to decay, and which, if the Govt. refuse to aid and support it in such emergencies as the present, must inevitably lose ground, and ere long cease to exist: Finally I would ask Government to deal with this proposition favorably because they are in some measure the cause of the embarrassments under which the Rammad estate now labors, and because the Zemindar has come forward and in the most straight-forward & confiding manner, placed himself and his property entirely in our hands: let us show him by our method of dealing with this proposal, that his confidence in the justice and liberality of the British Government is well-founded and judicious, and besides the satisfaction of having performed a kind & graceful act, we shall be able to congratulate ourselves on having behaved in such a manner as to advance our Government in the estimation and regard of the people of India.

8. Having thus submitted a statement of the case with my opinion, for the consideration of the Board and Government, I shall refrain from attempting to elaborate a scheme for carrying into effect the policy which I have advocated; for I feel that in an undertaking of so much importance, the subject will meet with the fullest attention and consideration at the hands both of Government and the Board, & that any thing in the shape of crude and perhaps ill-considered suggestions would be felt rather as an encumbrance than an aid.

9. In case, however, the Government determine to accept the proposal and assume the management of the Zemindary, I beg to submit for their consideration, my opinion and [illegible] that the [illegible] and management should be placed in the hands of an experienced Covenanted Officer. Such a selection would be agreeable alike to the Zemindar & his tenants, and would afford a strong guarantee, for the just and efficient administration of the estate, and the welfare of the people.

I have &c.
/Signed/ J. R. Arbuthnott
Coll.r Collector

Enclosures
No. 1- Original Yadast from the Zemindar dated 25th Jany. 1809,

with translation.

No. 2. Memo. of the debts due by the Zemindar.

/ A true Copy /

A. Macfayden
Ag. Secretary

Encl. 1 in Letter from Collr. of Madura to the Secy. to the Bd. of Rev. dated 29th Jany. 1869.

Copy of letter from the Collr. of Madura to the Secy. to the Bd. of Rev. dated 29th Jan. 1869 forwarding memorandum of Ramnad estate debts &c.

Enclosure. 2.

Rec'd 5th Feby. 1869.

Enclosure 1 in Proc. of the Board of Revenue, dated 4th Feby. 1869. No. 99.

Madura Department

No.

Proceedings of the Board of Revenue dated 2nd February 1869.

Read letter from the Collector of Madura, dated 29th January 1869 No. 27.

Final. Submitted for the consideration and orders of Government.

2. With this letter the Collector forwards an application from the Zemindar of Ramnad praying that Government will assume the management of his Estate until its surplus shall suffice to pay off all his debts.

3. The Collector declares at present from engaging details as to the manner in which the proposed management might be carried out, but he strongly recommends compliance with the Zemindar's request.

4. The Zemindar's request is certainly somewhat unprecedented, but it seems to be a desire on his part to improve the condition of his estate and to pay his debts, and also a confidence in the justice and liberality of Government.

5. The Board do not doubt that Government

Government will view with concern the difficulties in which the representatives of this ancient family now finds himself, and will be willing to help him to relieve his embarrassments.

Government have indeed already declared that the heavy expenses entailed by the litigation regarding his title to the property give him a claim on their consideration. A compliance with the reminders proposal, on the conditions which will presently be mentioned, seems to the Board the only measure that holds out a prospect of saving the family from ruin and the estate from the final administration which the heavy and indebtedness of the Peninsular must entail.

8. It would be seen that the estate is at present very heavily burdened and the irrigation works are also in a very dilapidated condition, and their restoration shortly is absolutely essential to the obtaining of such an increased rental as shall pay off the debts.

9. The private debts of the Peninsular exceed nine lacs, and his Establishment is in arrears to the amount of Rupees 238000, the latter bearing interest at 9 percent, and the private

† This sum is to be paid by instalments but interest will be charged

§ 225 August 1880 § 228 Sanctioning the payment of the arrears of establishment including Rs. 1[illegible] to [illegible] Coy.

private debts [illegible] 12 per cent. [illegible] Rupees 824061-

8. Supposing these liabilities may be to the extent of Rupees 978514 the yearly cost of interest at least will be 97851 which must be provided for

9. The private annual income of the Estate are about Rupees 300000 but there can be no doubt that if properly managed the income would in the course of five years be very much increased.

10. The investment of private debts absorbs so much of the income, that the forest (to pay Government should agree to the proposed scheme), must necessarily be pay these off. This being done, it would still take nearly 7 years to clear the property from encumbrances.

11. Should the Government favorably entertain the proposal, the Board are of opinion that it will be necessary to advance about nine lacs from the Treasury to pay off the private debts at once, unless three years

assess no other way of saving the property from dismemberment and ultimate ruin.

The Board would attach certain conditions to this loan, namely that the Zemindar should engage to contract no fresh debts, to pay 6 percent on the loan, to pay the same rate of interest on other sums which may be advanced for the improvement of the estate and to leave Government entirely unfettered in their management of it, with liberty to relinquish at such periods as they may see advised.

Nos. 5. 6. 17 of the conditions inserted in the Commissioner's "Instructions" are to be modified accordingly.

13. The Board would if Government accede to this proposal recommend that the management be placed in the hands of an experienced and judicious officer of the rank of Sub Collector and that he be aided by a good and sufficient establishment.

14. The opinion of the Law officers of Government will have to be obtained as to the manner in which the temporary transfer of the Estate should be effected, the Board are

Revenue 1869 Dispatch

No. 3244

Minute by the Hon.

A. J. Arbuthnot

Dated 23rd Dec. 1869

Received 29th Dec. 1869.

In the case stated
for by the Zemindar
of Ramnad.

16

One of the grounds taken for bringing
under management of a Board Office, the
Ramnad Zemindary, viz. that the heavy loss
incurred by the cost of litigation into which the
present Zemindar's adoptive mother was
forced by the act of the former Madras Board.
I doubt, however, first that the Collector & the Board have any knowledge of the cost of that
litigation, or what part of some of the total
private debt of nine lacs of rupees which
is said now to be embarrassing the Zemindar.
Nothing can I recognize the force of the
administration argument. The former Board acted in proper support of what was
at that time regarded as their undoubted
right of refusal: they were formally advised
to appeal that right and they failed in securing
the recognition only in consequence of the
Supreme Court of Appeal accepting a correct,
a new reading of the law of adoption and
determining that, inasmuch a widow could
become the agent of the mineral claims
of her deceased husband, she was at liberty
to adopt a son, though her husband had
placed her, when living, under no injunction
to adopt. Prior to that judgment, it is
notorious that the law was regarded as
being, that a widow could not make a
valid adoption unless before his decease,
her husband had directed her to adopt.

As regards the salary Collector's proposal to bring the Ramnad State under
direct management & an officer of the Board
and the Board's suggestion that such Officer should

I showed the
V.

of the rank of Sub Collector, the Board, though they could say no, may have had in their mind the precedent afforded by the management in 1848 of the Bezwada Zemindary. — There however, we had a zemindar who, in addition to the hereditary Pranchise of the Pod: bolem Pollam, found himself encumbered with heavy personal liabilities which it was the desire of the Pod: bolem Pollam Ryots unexpended surplus should of the State. No application was therefore made that the Pod: by anticipance of ~~money~~ from the public treasury should at once wipe out the father debts. The Estate was brought under the control of a special agent (Mr Crozier) and it was a special injunction to that the young Zemindar should be initiated by the S. Agent into habits of business and under his superintendence & guidance, should learn how to conduct his own affairs when the prospect had been relieved from the incumbrances then bearing on it. — Nothing was then stated as to the Pod: bolem Zemindary funds to remove this £206 constitute itself a simple creditor for 6 lacs with interest at 6 or 5%, instead of the larger amount of the original liabilities now existing. It seems therefore quite clear from a perusal of the papers connected with Bezwada Pollam, that such a proposal would not probably ever have been listened to. Indeed, it would be seen that no offer was made, about an advance of 20,000 Rs. to enable the young Zemindar to visit Benares.

I think, therefore, judging from the Past, & holding in mind the extreme

in any opinion

estime unreasonable, & the proposal
made by the Raja and Zemindar that his
Govt. should now pay off his arrears of
debt & charge him only 5% on the amount
until they are repaid, - that the 10% recommended
on the present should not be accepted. -

No pains will offend & the Zemindar
for his future good conduct and delin-
quencies must again be fall into debt -
duded I should see what related
pranders he could offer, and I am quite
unable to understand how we are to punish
his contracting fresh debts whilst the State
is being ruined. - His conditions, as
laid down in his cons. to the Collector,
dated 25 January, judicially clearly enough
address to impede any thorough im-
provement of the property, and of com-
plied with, would in time create in-
superable difficulties in the discharge of his
duties by a Concentration Revenue Officer
but as benefiting the Zemindar & being
written to his regts. -

I should not permit the pay more
to impose any conditions whatever, save
& except that he shall have a sufficient
monthly allowance. I say this in the
belief that the Collr & this Govt. disposed
as they seem of the Zemindary, may
be abhorred & the Govt., but my own
opinion is, that their permanently
affected & Estates ruined & stand or fall
by themselves, and that do not this
hope by & the Govt. to step in and
act as Estate agent & Steward, to
retrieve the damage to the property
& their

? Collector
& Collr shall
have been
referred to him.

Such may have arisen from one cause or many causes. It seems done that Govt. consider that by their demands they establish the precedent of taking into a sort of pursuing any State of which the proprietor has fallen into embarrassments. It will be difficult to fix the limit of compliance with future similar applications. We may have been coming in from the Collectorship of Madras, from the Zemindary of Tanjore, from Bangalore, and from Zemindaries in the Northern Circars. Should we assume because a similar indulgence, as the present, we may be called upon to provide retiring Pensions, over & above commuted Pensions, & Pensions of the Higher Ranks in connection with which our Govt. duly engaged - & have been liberally to recent instalments at fixed periods of their ensuing Instalments -

On less favorable terms than the Zemindar claimed to pay from their Govt., the Govt. have, undoubtedly in receiving honest, complete effect. Adding the non official Europeans resident in this Presidency, and I do not doubt that there are also many able Native Officers of the Govt. who, if kept to themselves, & not entrapped with persons about the Zemindar, would soon relieve the pressing for instalments.

18 March 1862

W Oliver

* I owed draw the attention of the Govt. to a remark recorded in Proc. of the 26 Augt. 1848 of the then Govt. that "the change of "Collector & Govt. had not hitherto formed a "check on extravagance, but on the "contrary, owned seem rather to have facilitated "the borrowing of money". This remark was objected to a Minute by Sir Henry Pottinger & was concurred in by Mr. (now Sir) Daniel Elliott.

Revenue 1869 Oct 4th

No. 3248.

Minute by the Hon: R. A. Phillips.

Dated 18th & Received 22nd March 1869.

As the loan asked for by the Zemindar is refused.

G. O. No. 568. 12

The Hon'ble the Govr. in Council resolves to transmit the papers above recorded to the Govt Pleader with the request that he will advise whether, in the event of the Govt. being disposed to assist the Zemindar with a loan, the Zemindar is competent to grant a deed to Govt conveying to them the entire and absolute management of the Estate for a term of years with full power to spend such portion of the

mental or permanent improve
ments as they deemed necessary
and reserving only that a certain
annual payment should be
made to the Tenindan for his
maintenance

Suggested order in the case of the Ramnad Zemindary with alteration proposed by the Governor.

Copied

C. 13 May/69. R. 28 May.

I dont think that the draft order circulated touches the principal point on which we desire information. Is there any objection to the Zemindar executing his Estate for the purpose of management & improvement to Government but whether he can convey it to Govt. as a Security for money advanced upon it and transmit the obligation to his successors. I would suggest the following terms —

W. 1562
3 Smedley

"The R. Hon.ble The Governor in Council refers for consideration the papers above recorded to the Advocate General with a request that he will peruse them & the Govt Solicitor with a request that he will submit them to the Advocate General & the Govt Pleaders for their opinion as to whether in the event of the Govt being disposed to assist the Zemindar of Ramna with a Loan the Zemindar is competent to convey his Estate to Government as a full and valid security for the repayment of such Loan in the terms and conditions covenanted between

11 Feb 1862
4 Govt Solicitors

him and the Government and moreover whether the Zemindar is competent to convey his Estate to Govt in such manner as to exclude the claims of such creditors with whom he may subsequently indebted and whether the Mortgages contracted by the Zemindar in favor creditors could be made in case of his death binding on his heirs and successors in the Zemindary."

The case is one of much importance

MINUTE BY HIS EXCELLENCY THE PRESIDENT.

THE Zemindar of Ramnaad desires to place his Estate under the control of Government, with a view to procure the liquidation of the heavy public and personal debts with which he is encumbered, and to secure his restoration to an improved and unincumbered property hereafter.

2. In order to carry out this project in a satisfactory manner, it would be desirable that the Government should make a loan to the Zemindar of more than nine lacs, at a moderate rate of interest, for the extinction of private debts now held at twelve per cent; that they should waive the immediate payment of arrears of Peishcush; and that they should appoint a European officer, in the rank of Sub-Collector, to superintend the administration of the Zemindary.

3. Such an intervention of Government as I have indicated, would be an unusual measure. It could only be justified on grounds of a very special character. In my humble judgment such grounds exist in the present case. I would justify these concessions on two motives: (1), on the peculiar and exceptional causes which have produced the embarrassments of the Zemindar; and, (2), on the interest of the people.

4. The family of Ramnaad have twice, within the last fifty years, experienced the evil of a disputed succession. Twice in this period has there been a prolonged and costly litigation running through all the Courts of the Presidency, and terminating before the Privy Council. The second of these Suits was between the family and the Government. What proportion of the debts which have now accumulated, may be distinctly traced to the last Suit, only determined last year, I cannot affirm. It is certain, however, that the proceedings must have been a grievous charge on the family, both in respect to the actual outlay for law-expenses, and by the diminution of receipts incidental to a doubtful proprietorship. The Government were conscientiously but, as it proved, erroneously the adversary of the Zemindar: it would be alike generous and politic on the part of Government now to come to the relief of their antagonist.

See for an account of the first law-suit the Gazeteer of Southern India, page 396.

5. The Zemindary of Ramnaad comprises an area of 2,351 square-miles, and contains 425,000 inhabitants. It is nearly as large as the Madras District, but the population bears no proportion to the extent. From all the sources of information which are open to me, I have heard but one account of this extensive half-deserted tract. It is the poorest, driest, most neglected region in the Presidency. It is constantly on the verge of famine. The people abandon it in crowds for Ceylon and for the more favoured districts of the Presidency. The *Gazeteer for Southern India* says that more than ten years ago 150,000 persons were believed to have emigrated—about half the population of the Zemindary. This may be exaggerated, but the Missionaries assure me that the emigration is incessant, and caused by the exhaustion and mismanagement of the Estate. I derive these impressions not only from the Revenue authorities, but from the Roman Catholic Missionaries, who are intimately acquainted with the condition of the Maraver country. In the absence of Government interference, I anticipate a long period of Native management powerless for good, but fruitful in mischief, concluding with the ruin of the Zemindar and the complete exhaustion of the cultivators: with Government assistance, an ancient family can easily be restored to a useful and flourishing position, while the country would be benefited by the repair of its ruined irrigation works and the creation of roads.

6. I would not be deterred by the apprehension of making a dangerous innovation or preceden. I would deal with the case on its own merits. Should a similar case present itself—a case of a Zemindar oppressed by a law-suit against Government, and of a people impoverished by chronic scarcity and neglect—I would deal with it in the same spirit.

7. The following simple statement borrowed approximatively from the information furnished by the Acting Collector, will show how easily the Zemindar and his tenants might now be extricated from their distresses. A few years later, the case might be desperate.

8 The gross rental of the Zemindary may be safely set down, under a more energetic management, at Rupees 6,50,000. The Acting Collector gives the average at Rupees 6,37,921; but the recent years have been most unfavourable, and the existence of the law-suit must have acted most prejudicially on the conduct of the cultivators and the authority of the proprietor. I heard it affirmed on all sides that, with tolerable seasons and an undisputed title, the rent would soon rise to eight lacs.

9. From the gross rental we must deduct Rupees 3,24,000 for Government tribute and Rupees 65,000 (ten per cent.) for the expense of administration. The Acting Collector says Rupees 55,000, but I have always heard it stated that the management of a Zemindary Estate may be fairly set down at ten per cent. on the gross rental. I prefer therefore to set down Rupees 65,000.

The net rental would thus be Rupees 2,61,000.

10. Out of the net rental of Rupees 2,61,000 the Government would have to provide for three principal objects:

First,—The interest of debt and a sinking fund for its extinction;

Second,—The improvement of the Estate;

Third,—The support of the Zemindar.

The private debts amount to Rupees 9,76,832: the public debt or arrear of Peishcush amounts to Rupees 2,38,082.

We have thus a total debt of Rupees 12,14,914. The schedule of debts states the amount of Peishcush-arrear to be Rupees 2,38,082, and the Acting Collector states in his letter the amount of private debt to be Rupees 9,76,832, which would be an aggregate of Rupees 12,14,914; but in his letter the Acting Collector sets down the aggregate at Rupees 12,49,914. The difference is immaterial, but let us say, with any small addition that may since have accumulated for interest or otherwise, a total debt of Rupees 12,50,000 in round numbers.

11. This amount should be consolidated as a single debt due to Government, paying twelve per cent. annually: six per cent. for interest, and six per cent. for a sinking fund. This charge would at the outset amount to Rupees 1,50,000.

I would next appropriate an annual sum of Rupees 50,000 to improvements on the Estate.

There would remain for the support of the Zemindar in the beginning Rupees 61,000.

12. As the annual sum appropriated to the payment of interest diminished, the amount of revenue thus liberated should be equally divided between the fund for the improvement of the Estate and the fund for the support of the Zemindar.

13. The same rule should be applied to the recoverable arrears which are estimated by the Acting Collector at Rupees 2,50,000. Supposing these arrears

to be paid up at the rate of only Rupees 25,000 per annum, the sum available for repartition between the two funds alluded to would not be contemptible, but we might perhaps count upon an annual recovery of Rupees 50,000.

14. Under such a system the Estate would be liberated and materially improved in the course of ~~x~~ years, while the family would still be supported with great decency.

15. The success of the scheme which I have sketched out is conditional on two things: (1), that the Government shall advance the sum of Rupees 9,76,832, at six per cent., for the extinction of the private debts now held at twelve per cent; (2), that the Zemindar shall not contract new debts while the old debts are being paid off.

16. In order that the Government may be able to entertain the proposal of a loan to the Zemindar, we must ascertain, beyond doubt, whether the Zemindar can legally mortgage his Estate to Government, or charge it with the debt in question, so as to give the Government a right of priority to its revenues; and whether the Zemindar can transmit the obligations which he may contract to his successors. If the Zemindar can do that, the Government can safely advance the money. If the Zemindar cannot do that, it seems difficult for the Government to help him in the way of a loan. I would therefore submit this question directly and separately to the Advocate-General, reserving the other questions suggested by Mr. Arbuthnot to be dealt with subsequently.

17. Assuming that the Government can obtain a valid security in some form or other upon the Estate, there still remains the difficulty noticed by Mr. Phillips, that the Zemindar might, during the period of Government administration, be contracting new personal debts, and be thus frustrating, by his imprudence, all the good which the Government were labouring to effect. Against this contingency there is, indeed, no absolute security. We must trust in moral influence, in a sustained control by the English Agent, and in the manifest interest that the Zemindar would have in the success of the proposed management. It would be open to Government at any moment to throw up the trust they had assumed on the solicitation of the Zemindar, the terms of the act of mortgage would afford them full security for the re-payment of their advances, and the Zemindar would be left with the remainder of his Estate to settle with his personal creditors.

18. Should the Advocate-General be of opinion that the Zemindar does not possess the power of conveying his Estate to Government in such a way as to afford them valid security or to bind his successors, it would remain for Government to consider how far they could still assist the Zemindar to a better position by giving him the benefit of Government superintendence, without advancing a loan for the liquidation of his private debts. On this question, I think it is, however, better not to enter, until we have the opinion of the Advocate-General on the capital question indicated above.

(Signed) NAPIER.

May 8th, 1869.

Minute by H.E.
the President

The Zemindar of Ramnad desires to plan his Estate under the control of Government with a view to procure the liquidation of the heavy Public and personal debts with which he is encumbered and to secure his restoration as an improved and unincumbered property hereafter.

Incidents carry out this project in a satisfactory manner it would be desirable that the Government should make a loan

to the Jemindar of more than nine cases at a moderate rate of interest for the detention of private debts are held at 12 p.c., that they should warn the immediate payment of arrears of peishkush and that they should appoint a European officer in the rank of Sub Collector to superintend the administration of the Zemindary.

Such an intervention of Government as I have indicated would be an unusual measure. It could only be justified on grounds of a very special character.

* See for an account of the first Earl of Southesk "Gazetteer of Southern India" P. 396.

In my humble judgment such grounds exist in the present case. I would justify these conclusions on two distinct (1) on the peculiar and exceptional cause which has produced the embarrassments of the Zemindar. (2) on the interest of the people.

The family of Ramnad have twice within the last 50 years experienced the evil of a disputed succession. Twice in this period has there been a prolonged and costly litigation running through all the Courts of the Presidency and terminating before the

Privy Council. The
result of these suits
was between the family
and the Government.
What proportion of the
debts which have now
accumulated may be
distinctly traced to the
last suit, only determined
last year, I cannot affirm.
It is certain however that
the proceedings must have
been a grievous charge on
the family both in respect
to the actual outlay for
law expenses and by the
diminution of receipts
incidental to a doubtful
protracted suit. The
Government was ~~the~~
conscientiously but, as it
would, erroneously the
adversary of the Zemindar;
it would be alike
generous and politic on

the part of Government
now to come to the
relief of their ~~opponent~~ opponent.

The Zemindary of
Ramnad comprises an
area of 2351 square
miles and contains
425.000 inhabitants. It
is nearly as large as the
Madras District but
the population bears no
proportion to the extent.
From all the sources of
information which are
open to me I can learn
but one account of this
extensive half-
deserted tract. It
is the poorest, driest,
most neglected
region in the Presidency.
It is constantly on the
verge of famine. The
people abandon it
in crowds for Ceylon

and for the more favored districts of the Presidency. I clearly see there imperfections not only in the Revenue authorities but in the Roman Catholic Missionaries who are intimately acquainted with the condition of the Karavar country. In the absence of Government interference I anticipate a long period of lawless management towards for good but fruitful in mischief concluding with the ruin of the Zemindar and the complete extinction of the cultivators. With Government assistance an ancient family can easily be restored

The gazetteer of Southern India says that ten years ago 150.000 persons were desirous to have emigrated, about half the population of the Zemindary. This was exaggerated but the impression is that the emigration is incident and caused by the extinction and mismanagement of the Estate.

to a useful and flourishing position while the country would be benefitted by the repair of its ancient irrigation works and the creation of roads.

I would not be deterred by the apprehension of making a dangerous innovation or precedent. I would deal with the case on its merits. Should a similar case present itself, a case of appeal of a Zemindar by a lawsuit against Government and of a people impoverished by chronic scarcity and neglect, I would deal with it in the same spirit. —

The following simple statement borrowed approximately for the information furnished by the acting Collector will show how easily the Zemindar & his tenants might now be extricated from their difficulties. A few years later the case might be desperate.

The gross rental of the Zemindary may be safely set down under a more energetic management at R? 650.000.*

From the gross Rental we must deduct R? 324.000. for Government Tribute and R? 65.000. (10. per cent.

*. The acting Collector gives the average at R? 637. 921. but the recent years have been most unfavorable & the existence of the lawsuit must have affected most prejudicially the conduct of the cultivators and the activity of the Inspector. I have therefore assumed on all sides that with a fair season and an undisputed title the rent would soon rise to eight lacs. -

The acting Collector says R? 55.000. but I have always heard it stated that the management of Zemindary Estate was fairly set down at 10. p. c. on the gross rental. I prefer therefore to set down R? 65000. -

for the expenses of administration.

The net rental would thus be R? 261.000.

Out of the net rental of R? 261.000. the government would have to provide for three principal objects.

(1) The interest of debt and a sinking fund for it's extinction.

(2) The improvement of the Estate. -

(3) The support of the Zemindar.

The private debts amount to R? 976. 832.

The public debt or arrears of Peishkash

amounts to R: 238.082. -

We have thus a total debt of R: 1214.914.* - but let us say, with any small addition that may since have accumulated for interest or otherwise, a total debt of R: 1.250.000. in round numbers. -

This amount should be consolidated as a single debt due to Government bearing 12. per cent annually 6. per cent for interest and 6 per cent for a Sinking fund. This charge would at the outset amount to R: 150.000.

I would next

* -

The Schedule of Debts states the amount of Peshkush arrear to be R: 238.082 and the acting Collector states in his letter the amount of similar debt to be R: 976.832 which would make an aggregate of R: 1214.914 as in his letter but the acting Collector sets down the aggregate at R: 1.249.914. The difference is immaterial

appropriate an annual sum of R: 50.000. to improvements on the Estate.

There would remain for the support of the Zemindar in the beginning R: 61.000.

As the annual sum appropriated to the payment of interest ~~and sinking fund~~ diminished the amount of revenue thus liberated should be equally divided between the fund for the improvement of the Estate and the fund for the support of the Zemindar.

The same rule should be applied to the recoverable arrears which are estimated by ~~Mr. Arbuthnot~~ the acting Collector at Rs. 250.000. Supposing these arrears to be paid up at the rate of only Rs. 25.000. per annum the sum available for repartition between the two funds alluded to would not be contemptible, but we might perhaps count upon an annual recovery of Rs. 50.000.

Under such a system the Estate would be liberated and materially improved in the course of years

while the family would still be supported with great decency.

The success of the scheme which I have sketched out is conditional on two things 1/ That the Government shall advance the sum of Rs. 976.832. at 6. per cent for the extinction of the private debts now held at 12. per cent. (2/ That the Zemindar shall not contract new debts while the old debts are being paid off.

In order that

the Government may be able to entertain the proposal if a loan to the Zemindar we must ascertain beyond doubt whether the Zemindar can legally mortgage his Estate to Government or charge it with the debt in question so as to give the Government a right of priority to its revenues and whether the Zemindar can transmit the obligations which he may contract to his successors. If the Zemindar can do that the Government can safely advance the money. If the

Zemindar ~~Government~~ cannot do that it seems difficult for the Government to help him in the way of a loan. I would therefore submit this question directly and separately to the advocate general reserving the other questions suggested by Mr. Arbuthnot to be dealt with subsequently.

Assuming that the government can obtain a valid security in some form or other upon the estate there still remains the

difficulty attended by Mr Phillips that the Zemindar might during the period of Govt. Administration be contracting new personal debts and in this frustrating by his imprudence all the good which the Government were laboring to effect. Against this contingency there is indeed no absolute security. We must trust in moral influence, in a sustained control by the English Agent, in the manifest interest that the Zemindar would have in the success of the proposed arrangement. It would be open to Government at any

moment to throw up the trust they had assumed on the vindication of the Zemindar. The terms of the deed of mortgage would afford them full security for the repayment of their advances and the Zemindar would be left with the remainder of his Estate to settle with his personal creditors.

Should the Advocate general be of opinion that the Zemindar does

at liberty the
Lower of conveying
his Estate to
Government in such
a way as to afford
them valid security
or to bind his
successors it would
remain for govt.
to consider how far
they could still
assist the Zemindar
& a better position
by giving him the
benefit of Government
Superintendence without
advancing a loan
for the liquidation
of his private debts.
On this question I
think it is, however,

better not to enter
until we have the
opinion of the
advocate general
on the capital
question indicated
above.

Napier

May 8th/64.

1869 Separate

No.-3245

Minute by the Right Hon.
the Governor

Dated 8th May 1869
Received 9th May 1869

2nd June 1869

1559

C. 567

On the loan asked
for by the Zemindar
of Ramnad.

Memo on No 568 for Orders.

In their Proceedings
the Board recommend for favora-
able consideration the Collector's
proposal that the request of the
Ramnad Zemindar that his Estate
be taken under the management
of Government be complied with;
and point out that if any good
effects are to come of the advance
must be made from the public
Treasury for the payment of
the debt of the Zemindar. If
this ancient family is to be pre-
served and to retain provision
of their Estates, some assistance
must undoubtedly be given
by Government to the present
representative, & the present
proceeding and if the mere assump-
tion of the management of the
Estate

Estate was likely to be of advantage, this course might be adopted without difficulty under Sections 28, 29, 30, 31, 32, 33 & 34 of Act II of 1864, the Estate being attached for the arrears due to Government. Rules however some steps are taken to reduce the Rate of interest (12 per cent) now payable on the debt, such an arrangement would be of little avail as after payment of the interest of the debt, and the charges of the property, there would be no margin to form a ~~sinking~~ Fund for the gradual extinction

8

× Could Mirza Ali pay the Zemindar?

The question would be one of attachment for arrears of pay and, but of taking over the Estate as agent for the Zemindar to nurse it, in fact until his debts have been paid off. I should know under what Regn. the Govt would have power to do all that the Zemindar desires. Then to do what they are acting as Land agent. But then in the case of Bezaia Sariam × the father of the present man was known later when the present man was a prisoner. I had returned from Benares to ~~Madras~~ Madras after the [illegible] 1864

Yes, but [illegible] receiving [illegible] appointed [illegible] would [illegible]

× have the Govt powers to do this?

If the Govt take the Estate to nurse after such mortgage, they become the Land agent for the mortgagee. W.R.M

+ assuming Rs 10 lacs to be the amount of the mortgage, they would procure from the annual proceeds of the sale &c. caused not be contravened of owing to a crop of bad crops, the outturn was less than 10 calculated under the Cow the Board. 1864

I should think Govt would be justified in an arrangement of this kind

A.J.A.

of the debt or. Probably the simplest course, if Government is not disposed to adopt the unusual course of making a large advance to the proprietor would be to require him in the first instance, to raise a loan on mortgage of say 10 lacs upon his Estate. This might probably be obtained through European + Agency in Madras at eight or nine percent, so that the annual charge on the property for interest would be say Rs. 90,000. The annual charges of the Estate excluding cost of management by Govt, [illegible] due to Govt, and maintenance

maintenance allowance for the Zemindar and his family are estimated by the Ag: Collector at Rs: 4,63,404, and the mantal of the property is estimated by the same authority at Rs: 6,37,921. There would thus be an annual margin of about upwards of Rs 80,000 to form a surplus fund for the payment of the principal of the debts. The present arrear due to Govt might be allowed to stand over, future dues being paid as they occurred, or a small portion of present arrear might be liquidated annually, as this course would justify the Govt in retaining the

Estate

bearing simple interest at 6% - W.H.

If there be no attachment & conditions but as I understand the proposal made to the Govt we are to take on prospective of Ramnad, not in the arrear now in question, but at the request of the Proprietor.

W.H.

under attachment for arrears

Recd 18 by Capt.

No. 1562

Proceedings of the
Municipal Government

of the City of