M.R.O. 1—20,002—12-8-65.

(1) Number of Pages 136

(2) Date of repair 16-2-67

(3) Initials of the Referencer

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. 1333 Press

~~B.P. No.~~ Mis.

Dated 16-10-1874 ~~196~~

Not to be folded or roughly handled

1333
1

Read the following papers:—

No. 180. Proceedings of the Board of Revenue, dated 22nd November 1873.

Read letter from the Director of Revenue Settlement, dated 24th October 1873, No. 2,397/84.

ABSTRACT.—Forwarding remarks as requested by Government upon certain doubts expressed by Secretary of State as to the revised settlement of Nellore.

SUBMITTED to Government with reference to G. O., 25th August 1873, No. 900.

2. Mr. Banbury's letter is so full and conclusive that nothing more need be said on the subject.

3. In reviewing the Nellore Settlement Report the Board remarked "the increase will be heavy and with the cesses very heavy;" but this was not equivalent to declaring the *assessment* heavy. On the contrary, the Board consider the assessment fair, and believe that the "half-net" principle has been more closely followed, and that the details have been more uniformly dealt with in this settlement than in any other.

4. The cesses make the increase heavier, and must be taken into consideration as a matter of policy; but the orders of Government determining that the cesses shall be separate from the assessment and that the assessment shall be fixed without reference to them are positive.

5. Mr. Banbury proves that the commutation rates are favorable to the ryots, that the grain yields which enter into the calculation are low, that the allowances for vicissitudes of season, etc., are liberal, that the want of facilities for foreign trade would be no disadvantage to the part of the district in which the assessment has been chiefly raised, even if there were no such facilities, and that Nellore has not a larger proportion than other districts of ryots occupying little pieces of land.

6. The Board think that if the increase is imposed gradually in cases where the assessment has been considerably raised (and one result of the great inequalities of the former assessment is that there are many such cases) there will be no hardship. The suggestion made by Mr. Banbury in paragraph 21 might be adopted.

No. 181. Note by the Hon. J. D. SIM, C.S.I.

MR. BANBURY'S report and the Board's Proceedings must, of course, be sent Home. They seem to me to furnish all the information required by the Secretary of State and to remove all doubt as to the accuracy of the settlement.

(Signed) J. D. SIM.

No. 182. Minute by the Hon. W. ROBINSON, C.S.I.

THERE is no doubt that the revision of the Settlement in the Principal Divisions of Nellore has in a large number of cases told with severity on landholders. It is true that a large area of land had come down to us exceptionally lightly assessed; that land under somewhat similar

circumstances is more heavily burdened in parts of such heavily-assessed districts as Cuddapah, Kurnool, Coimbatore, etc.; and that the demand on large areas of outlying dry land in this district has been reduced under the new Settlement. It is true, also, that the principles on which re-assessment is going on throughout the Presidency have not on the average been transgressed, and that an intricate calculation goes to show that the so called net-half of the average annual outturn has not on the whole been exceeded; and further that on the whole the settlement of the district in general is equitable and defensible.

2. But the fact still remains that in the case of a large number of holdings over important and peopled tracts, the demand has been very largely enhanced—in some parts doubled—and more; and that extensive relinquishments—temporary and permanent—have occurred. I have heard of cases where the land could not be sublet at anything like the new assessment.

3. It is of course a very serious matter under any circumstances suddenly to double a peasant-proprietor's land-tax or make the retention of any part of his hereditary holding no longer possible, or simply to annihilate any capital laid out on land and invested savings when, as is largely the case, the land has changed hands at high and advancing rates. Circumstances of this kind shake confidence and preclude the possibility of a settlement being acceptable or, perhaps, justifiable in the eyes of the people, and more especially of the sufferers.

4. I think that in this respect the settlement has been somewhat defective in parts and has given an impetus to a growing conviction—be it reasonable or otherwise—amongst educated and influential agricultural classes, that the spirit and object of Settlement operations has changed for the worse as respects the demand against the people. Consideration is advisable.

5. I am strongly in favor of the system of raising the means of meeting important public objects—such as local Services, Communications, Sanitation, and Education—by local rates, to be expended under local supervision. And I attribute much of the advancement in prosperity and development of the country which has followed the administration of the last ten years to this policy; which I am satisfied may still be cautiously and safely extended for these and other beneficial ends. But I fear that we do not sufficiently bear in mind that when adding to the State burdens on the land, we are practically enhancing taxation with both hands. An increased revenue demand brings with it a proportionate increase in the land cesses, and makes the first operation (possibly reasonable enough in itself) a double burden. A fixed Imperial land-tax with cautiously advancing cesses to meet the increasing wants of society would be the remedy.

29*th April* 1874.

(Signed) W. ROBINSON.

No. 183.

Minute by His Excellency the Governor.

Mr. Banbury's letter of the 24th October 1873 furnishes all the information required by the Secretary of State, and it seems also to show that the statements respecting this Settlement, noticed in paragraph 2 of the Secretary of State's despatch as being those of the Board of Revenue—but which in fact were (except the first) those of the Government—were scarcely warranted by the facts of the case.

2. When all is said, the fact remains (as shown by Mr. Robinson) that a most serious increase of assessment has been imposed upon a considerable portion of the land included in this Settlement, and that though this increase has been arrived at in accordance with the rules laid down, and may have raised the assessment in these lands to an amount no higher than that borne by similar lands in other districts, I do not think that such a large enhancement of payments recognised by long prescription should be allowed. I do not see among the papers any table showing the percentage of increase in those lands upon which (paragraph 2) Mr. Banbury says that the increase chiefly falls. I would ask for such a table, and would then reduce considerably

(say by one-half) the additional percentage so proposed, and introduce the rates so reduced gradually in the course of four or five years.

3. I consider the recent descent of "cesses" upon the people to have been very calamitous to them. I doubt much the policy of this change from Imperial to Local taxation, or rather this thinly disguised and serious addition to the general taxation of the country; but (in any case) I would go as far as we are able in restricting the rates of assessment, as a set-off against these severely-felt burdens.

6*th May* 1874.

(Signed) HOBART.

No. 184.

Minute by the Hon. J. D. SIM, C.S.I.

The explanation of the Director of Revenue Settlement and the Board's review of it will, I trust, remove all anxiety on the part of the Home Government as to the revision of the assessment of the Nellore District.

2. On again reading the order of Government, dated 6th March 1873, No. 267, I must confess that several portions of it were only too well calculated to excite the doubts and misgivings to which the Secretary of State has given expression in his despatch.

3. The proper test of a settlement is that pointed out by the Secretary of State,—that it shall take "not more than one-half of the net produce of the soil." It is, I think, sufficiently certain, from the papers before us, that the Nellore assessment fulfils this essential condition; and we have the additional satisfaction of knowing that the various processes leading to this final result of the "half-net and no more" have been most carefully and faithfully worked out by an officer (Mr. Rundall) of exceptional ability and local knowledge.

4. I do not hesitate, therefore, to advocate its acceptance in its integrity.

5. Such enhancements of the demand in particular instances as Mr. Robinson notices are inseparable from a revision of assessment which has for its object the determination of a fair assessment and its equal imposition on all alike. In the Nellore District the cases of unduly low assessments are abnormally numerous, owing to the frequent changes in the assessment effected by different officers on different principles and the absence of any survey. It is, in fact, well known that the classification has been fraudulently altered by collusion with the village-officers to a very great extent in this district. Large per-centage reductions were also made, which, in the absence of any survey or settlement, often fell on lands not entitled to or requiring relief. We cannot afford to bring the assessment of the district generally down to the level of that paid by the lucky few, who, for no reason that they can give or we discover, are paying but a fraction of what they ought to pay, and it would obviously be unjust to the many to continue thus to favor the few. A good deal of the proposed enhancement is due to lands classed as "dry" being now classed as "wet."

6. His Lordship's proposal to take but a moiety of the additional assessment payable now would, I submit, be fatal to one great object of the settlement, viz., the equal incidence of the land-tax; and the complications, anomalities, and inequalities it would introduce would be very great; nor, as I view the matter, would it be just either to the favored few or to the many on whom the full burden of the land-tax falls. Any such concession to the former can have no other basis than their long tenure on their present low rates of assessment, and this would militate against an enhancement of 50 per cent. just as much as against an enhancement of 100 per cent.; while as regards the ryots generally we are not, as I think, justified in continuing special concessions and advantages founded on no right or title. Every case in which the increase is material, or the person affected challenges it, will form the subject of careful inquiry when the settlement is being introduced, and the assessment will be finally determined by the result of such investigation and fixed at the half net, the increase when large being levied by annual increments as is now

done in the Kistna District, where the enhancements were greater and more numerous. The cases to which Mr. Robinson specially alludes will be thus dealt with.

7. As regards the "cesses," I would explain that the new assessments now being introduced are merely a settlement of the land-revenue, *i.e.*, of the share of the produce of the soil to which, in this country, the governing power is entitled by immemorial custom. When the present rate,—the half-net,—was fixed upon, it was believed that it was sufficiently favorable to admit of the people paying special taxes or cesses for objects of local interest as distinguished from objects of Imperial interest, to which last the revenue proper is applied. The road cess has now been in force since 1864, and its abolition would be a very great misfortune. It is paid willingly and easily, and for no payment that he makes does the ryot receive so good a return. Its maximum amount is 6¼ per cent. on the assessment: two-thirds are devoted to communications and one-third to education and sanitation. The only other cess the Village Service Cess is essentially a commutation of fees paid or payable by prescriptive usage to village servants, and has not yet been imposed in this district.

8. We cannot consistently with the principles laid down for our guidance make any abatement of Imperial land-revenue on account of these cesses, and it would be useless to seek permission to do so; for the Supreme Government has given us all that it can spare in its Provincial Grants. The cesses are not, in my opinion, heavy, and they are absolutely necessary.

19*th May* 1874.

(Sgned) J. D. SIM.

No. 185. From G. THORNHILL, Esq., First Member of the Board of Revenue, to C. G. MASTER, Esq., Acting Secretary to Government, Revenue Department, dated Madras, 20th March 1874.

* * * * * *

57. NEW SETTLEMENT.—As regards the new settlement, I am directed to report on the points raised by the Secretary of State in his despatch of the 24th July last, they are—

(1.) How far this assessment conforms to the principle of taking not more than one-half of the net produce of the soil; and,

(2.) What the selling price of land actually is in Government and Inam lands.

These points were so fully discussed from a technical point of view by Mr. Banbury, Director of Revenue Settlement, in his letter communicated to Government, with Board's Proceedings, dated 22nd November 1873, that I felt I should best comply with the instructions given to me by making a general inquiry into the causes which had led to the great inequality of rates, into the effects of the rise in rates on individual land-holders and on property invested in the land, and into the general feeling on the subject among the people.

58. With this view, I consulted freely with the Collector, the Deputy-Director of Revenue Settlement, with the leading Native officers of both departments, and with a number of the larger and more intelligent ryots and heads of villages holding land in the delta of the Pennair.

59. The first-named gentlemen were unanimous in saying that there was no doubt the settlement had been conducted with the utmost care and attention, that every step had been carefully weighed, and that nothing had been left undone which could help to the attainment of an equitable adjustment of the Government dues on the land. But all were agreed that where the increase of rates was so heavy, amounting in the case of some entire villages to a rise of more than 100 per cent. and in individual cases reaching some times to even 200 and 300 per cent., it would be impossible, without great hardship, to impose the full rates at once. It was pointed out that the rise would operate with especial hardship in the case of nonresident land-holders, and instances are known in which lands belonging to absentees have been rented to ryots

for sums below the newly imposed settlement rates, and in which the owners have found it impossible at once to get even assessment as rent for them.

60. The last-named persons, viz., the land-holders themselves, were naturally not disposed to admit even the equity of the rate. They urged a variety of reasons to show that the new rates were too high, viz.—

(1.) That the soil was bad.

(2.) That the kyles or grain-measurements had not been fairly made.

(3.) That the irrigation was uncertain, the channels sometimes not receiving water till too late to enable them to cultivate.

(4.) That the silt deposited on lands irrigated direct from the Pennair was injurious to vegetation.

61. With regard to (1) the quality of the soil, I can only say that it is beyond a doubt that the classification was most carefully and accurately made. The soil, which is generally a sandy loam, is admirably adapted for cultivation with wet crops; the well-grown topes and gardens which are seen in considerable numbers near every village and the luxuriant, though uneven, growth of the crops sufficiently evidence the fertility of the soil.

62. As regards (2) the grain-measurements, these were made in far greater numbers in the Nellore than in any previous settlement. They were not made by the Settlement Department alone, but all grades of Revenue-officers assisted in taking them. They are an uncertain means of testing the productive powers of the soil at any time, but that they were fairly and equitably made does not admit of a doubt.

63. As regards (3) the uncertainty of the supply in the channels, this supply is, of course, liable to fluctuations with the seasons. In some years, as in the current season, the supply was very late, but it has never been known to come so late that a crop could not be raised, and the Nellore delta enjoys the great advantage of being freely supplied with tanks which enable the irrigation to be maintained with much regularity. The proportion of land watered direct from the river is comparatively small.*

* NOTE—About 4,000 acres.

64. The objection (4) on the score of the injurious properties of the silt was one I was quite unprepared for. It was loudly asserted by almost all the ryots I questioned on the subject. On the other hand, Mr. Rundall, the Deputy-Director of Revenue Settlement, told me that it was only recently he had heard of it. The District Engineer, an officer of much experience, and in constant friendly intercourse with the people, had never heard of it, and no complaint had ever been made by those holding lands irrigated from river-channels in other parts of the district.

I have since heard that the bad silt is said only to be brought from certain feeders to the river which have their rise in the Nellore District, and that it is only, therefore, when the flood are produced by local rains that ill-effects are felt. I have procured specimens of this silt from of the channel-beds, and have submitted them to the Chemical Examiner for analysis.

From that officer's report, copy of which I beg to annex, it would appear that the specimens submitted contained nothing injurious to the growth of rice. From this, I think, it may be inferred that the fears of the ryots on this point have been greatly exaggerated. I do not suppose that their impressions are absolutely groundless. There is generally some substratum of truth in such beliefs; but I do not consider that any modification of the settlement should be made in consequence.

66. In considering the causes which have led to the great inequality of rates throughout the district, it is necessary to look back to its earlier history.

This will be found given at length by Mr. Rundall, and in a more condensed form by Mr. Banbury. It is only necessary, therefore, here to point out that during the management of Mr. Travers and Mr. Fraser, which lasted upwards of twenty years, although there were frequent changes, the rates seem to have been on the whole too high.

67. This was recognized by Mr. Smalley who endeavored to introduce a more regular survey and settlement, in the course of which great reductions were made in some parts of the

district, chiefly in the Nellore and Gudur Taluqs. His operations were, however, stopped by the Board of Revenue, and the result was that the villages which had been resettled by Mr. Smalley were held on far more favorable terms than the rest of the district.

68. When Mr. Stonehouse succeeded, extensive alterations were proposed, but, except in so far as the Oodiagherry Jaghire was concerned, nothing was done.

The inequalities produced by Mr. Smalley's operations continued, and when in Mr. Elton's time it was found necessary to afford relief, the relief was given in the form of a per-centage reduction of rates all round, no regard being had to the relief previously given by Mr. Smalley's; and the consequence was that the Nellore, Gudur, and some other villages, had their assessments reduced beyond all reason, while the relief afforded elsewhere was only perhaps what was really needed. This course was opposed by Mr. G. N. Taylor, Acting Collector at the time, but was nevertheless carried out.

69. The above will, I think, account in part, certainly, for the existence of the enormous discrepancies which were found to exist when the district was subjected to the strict scrutiny of the Settlement Department under Mr. Rundall. The effect of these operations has been, of course, a very large increase in the assessment of the previously favored villages, amounting in the case of the Nellore Taluq to upwards of 60 per cent. in the wet lands under the anicut.

In the case of individual villages the increase sometimes exceeds 100 per cent., and in individual holdings instances are found, rare only of course, in which an increase of more than 300 per cent. will occur.

See Appendix to Mr. Rundall's Report.

70. However equitable in theory an increase of this kind may be, there can be no doubt that the sudden imposition of it would operate with great harshness. Even in the case of resident-cultivators, who realise the whole produce of their land, it would be very oppressive to call on them suddenly to treble and quadruple their contributions to Government; and in the case of nonresidents, who may have purchased land, and who sub-let it to the resident-ryots, it would amount almost to confiscation, as it would be in the power of the residents to refuse to pay rent even equalling the Government demand, and it would be out of the power of the owner suddenly to make other arrangements for its cultivation.

The general feeling on the subject may be gathered from my remarks in paragraph 59 above.

71. It remains now for me to suggest what appears to be the best way of meeting the difficulties of the case.

I have endeavored to show, and I fully believe, that the settlement has been framed with great accuracy, and that, so far as it is at all possible, the burdens on the land have been equitably and fairly distributed. It has been framed under exceptionally favorable circumstances, having been under the direction of one and the same officer from beginning to end; and I am only repeating the universal feeling when I state that it would have been impossible to select one more competent to the task than Mr. Rundall, the department has not, and never has had, a better officer.

72. Under these circumstances, I would not recommend that one figure of Mr. Rundall's settlement should be altered. There is no ground whatever for relieving the Nellore ryots of their fair share of the burdens of the State. Their country is fairly supplied with roads; it has an extensive sea-board, with many ports frequented by Native trading vessels, and accessible to European ships if there were a call for them, and it will, in a few months, be in possession of a line of inland navigation with Madras. The East-Coast Canal will be opened to Kistnapatam by the end of this year, and the entire rice-producing area will then have inland water-carriage to the capital within a reasonable distance.

Independently of this, there is always a local market for the produce of the delta in the town of Nellore and in the inland parts of the district, where but little rice is grown, and where the price is always higher than on the coast.

73. The irrigation of the tract is exceptionally good, combining as it does the advantages of both river and tank-supply. The works of distribution have been well designed, and are being improved and extended year by year. There are, of course, some places where the larger supply

Proceedings of the Madras Government, Revenue Department,
16th October 1874.

channels have temporarily intercepted the old local supply of water to the land; but these are quite exceptional, and will be remedied as soon as possible; in the meantime, they should receive a temporary abatement of assessment.

74. In his letter, reviewing Mr. Rundall's Report, Mr. Banbury proposed to increase the assessment on some of the wet lands "by raising the grain-values and by altering the money-rates in a few instances," the result of which was, "as regards first-class villages, to raise the assessment above that proposed by Mr. Rundall by Rupees 18,867, and to raise the average rates per acre from present average of Rupees 4-2-3 and from Mr. Rundall's average of Rupees 5-14-6 to Rupees 6-5-4," and the Board and Government acquiesced in the arrangement.

Paragraph 46, *et. seq.*
Paragraph 69.

75. In discussing the point with Mr. Rundall, I found that he acknowledged the fairness of Mr. Banbury's reasoning, and that he had concurred in the alteration proposed by him. Mr. Rundall, however, pointed out that the increase would fall on those lands which had already had their assessment very heavily raised; that much of the land so treated would have its rate altered from 6 to 7 Rupees; and he thought that if alleviation of rate were to be allowed anywhere, it should be here.

See paragraph 68, Mr. B.'s report.

76. Another reason has occurred to me for retaining Mr. Rundall's rates, viz., that the lowness of the grain-values perhaps only fairly represented the returns from the land which are probably low in comparison to the fertility of the soil, owing to the very inferior nature of the agriculture.

77. Except in the immediate vicinity of Nellore, it appeared to me that the cultivation of the land in the delta was much below par.

Many of the fields in which paddy was growing were choked with weeds to an extent which must have materially diminished the return from the crop.

In others, the crop, although luxuriant in places, was very uneven, some parts being far in advance of others, owing no doubt to the system of transplanting not being practised.

The crop is sown broad-cast; it comes up unevenly, and the thicker patches are thinned out, and the plants stuck in elsewhere. I believe, too, that the ryots in the delta have, as a rule, more land than they can properly cultivate, and hitherto the rates have been so low that they did not feel the burden of a little extra land. They have a great, but not unnatural, jealousy of allowing strangers to get afooting in their lands; the consequence is that every acre in the delta, whether cultivated or not, is held on putta at the taram rates. Large tracts of grass-land are so held at Rupees 1-4-0 and at Rupees 1-2-0 an acre.

Under these circumstances then, I think that it would be well to adhere to Mr. Rundall's rates, even if below what they strictly might be increased.

78. Further, with a view to meet the hardship which would follow from the immediate introduction of the new assessment in cases where the increase of rate is very high, I beg to submit a scale prepared by Mr. Rundall, in communication with the Collector and myself, for the gradual enhancement of the rates where the increase is exceptionally heavy. If this scale is accepted, the imposition of new rates would, in cases of the greatest increase, viz., 300 per cent., be extended over twenty years by gradual increments imposed after intervals of three years.

When the increase amounted to 200 per cent., it would extend over fifteen years, 100 per cent. over ten years, and so on. This scale would be applicable only to the tract irrigated from the Pennair anicut and the Nellore tank, which includes almost all the cases of excessive increase on assessment, and it would apply to all cases in which the puttas exceed Rupees 50.

79. In cases of excessive increase beyond the tract in question, and in cases where the puttas are below 50 Rupees, a simpler scale may be adopted; the realisation of the increase being extended over five or ten years at the discretion of the Collector and the Settlement officer. Indeed, a very liberal discretion in all matters relating to the introduction of the new settlement should be accorded to the local officers. Both Mr. VansAgnew and Mr. Rundall are fully impressed

with the necessity of liberal treatment in this respect, and the joint interests of the State and the people may be safely left in their hands.

80. I was instructed further to inquire into the present selling value of land in the district, but I regret that I have not been able to ascertain anything in addition to what has already been recorded by Mr. Rundall and Mr. Banbury.

The few sales recorded by Mr. Rundall after searching the records of the Civil Court and the Registration Office do not certainly represent the true value of land.

As remarked by Mr. Banbury land in Nellore and throughout the northern districts generally but rarely changes hands by means of sale, and there is no recognised selling value as there is in the more southern districts.

It is remarkable that sales of land for arrears of revenue are almost unknown in the delta. Personal property is sometimes sold, but land though often attached is invariably redeemed before the day of sale.

Any argument, therefore, based on the few recorded sales could only mislead.

* * * * * * *

83. In the matter of the new settlement, (3) I recommend that Mr. Rundall's settlement rates be retained without modification; that the addition proposed by Mr. Banbury in paragraph 69 of his report, amounting to Rupees 18,867, be remitted; and that to meet the hardship which would be felt by the immediate introduction of rates greatly exceeding those hitherto levied, a scale for their gradual enhancement be adopted; that in cases where the increment is greatest the introduction be extended over twenty years; and that great latitude of discretion be given to the local officers to meet individual cases of enhancement in the most liberal manner.

* * * * *

No. 186. Minute by the Hon. J. D. SIM, C.S.I.

Mr. Thornhill's report should, I think, remove all doubts and anxieties regarding the revised assessment of the Nellore District. The only alteration he suggests is that the enhancement proposed by Mr. Banbury and accepted by Mr. Rundall of the assessment of certain wet lands in the 1st-class villages of the Nellore and Gudur Taluqs should be renounced. The enhancements aggregate Rs. 18,867. The reasons assigned by Mr. Thornhill seem to me untenable, unless we are to depart from the principles of the new assessment. He does not assert that the rates exceed half the net or are more than the lands can bear or the ryots pay. His main argument is that the agriculture of the delta is slovenly, and the grain-valuations may, therefore, be too high. Slovenly culture and low rents usually go together, and though I do not go the length of advocating high rents in order to compel high farming, I do not think we should adopt the opposite policy and induce or perpetuate bad farming by purposely lowering the assessment. The grain-values are taken from crops as grown under the ordinary tillage of the district, and not as they might be under a superior system of agriculture. The villages here concerned are of superior quality, and their irrigation is excellent; and the Government have incurred considerable expense in improving and extending the latter. The highest rate is 11 Rs. per acre, but throughout the principal division only 118 acres are charged at that rate; the next is 10 Rupees, but this class comprises only 225 acres. It is not until we reach Rs. 7 that any extent worthy of notice occurs, and the bulk of the land ranges between that and 4 Rs. I see no reason, therefore, to accept Mr. Thornhill's proposal.

2. The enhancements where heavy should certainly be imposed gradually with due consideration. This, I think, is the proper remedy where material enhancements result from the new assessment, and no reason appears for doubting the correctness of the latter. I deprecate departure from the principles of the new assessment on any ground, save that half the net is too much, which is nowhere alleged. There will be some difficulty in carrying out Mr. Thornhill's scale in the many cases where fractions of an acre are held; but I conclude he has discussed this with

the Collector. Of course, where lands revert to Government by sale or otherwise the new assessment will be at once imposed. The scale seems to me somewhat indulgent. Twenty years is a long time over which to spread the highest rate of enhancement when the settlement itself is only for thirty.

(Signed) J. D. SIM.

17th June 1874.

No. 187. Minute by the Hon. W. ROBINSON, C.S.I.

The paragraphs of Mr. Thornhill's report which relate to the new assessment should be printed separately and submitted with the papers to the Home Government.

2. The report establishes the fact that the new settlement carries a serious enhancement of the public demand against a considerable tract of country, and in individual cases increases the land tax to an extent which must entirely alter the conditions of property, and make a rich owner comparatively a poor one. The history of the low assessments which have hitherto obtained is accurately given, and the fidelity of the revision by which the demand is brought up to the "net-half" cannot, it appears, be impugned. The settlement must, therefore, stand as a whole, although I cannot accept the hard and fast line on which my Honorable Colleague Mr. Sim insists. I am satisfied that one of the reasons why the settlements of other districts have met with less local unpopularity than attaches to this settlement, is because the settling officer has weighed other facts besides those which appear in the columns of the settlement record, and has avoided sudden and extraordinary enhancements.

3. As regards the remedies to be applied, I would accept both of those proposed by Mr. Thornhill—apparently in communication with the district officers and Mr. Rundall. The people are, I think, entitled, under the peculiarly strict manner in which this settlement was arrived at, to the doubt raised by a difference of opinion between the settlement officer and the Director (although the former accepted the conclusion of his superior). I would, therefore, revert to the rates first fixed by Mr. Rundall, for I think that Mr. Thornhill has given sound reasons for the recommendation—in the fact that Mr. Banbury's enhancements fall on lands whose assessment has already been seriously raised. I do not attach much importance to the argument based on the inferior character of the agriculture; nor should I expect that a better style of tillage would be encouraged by largely enhanced taxation.

4. I would accept Mr. Thornhill's scale of gradual enhancement, and allow the discretion which he asks for the local officers.

5. I entirely agree with my Honorable Colleague Mr. Sim's views (Minute, dated 19th May) both as to the sound policy and moderate incidence of the cesses imposed for local and highly beneficial purposes, and should look to the cautious development of this policy for the material and intellectual progress of the country. But I admit that I should welcome a measure that would limit and make permanent the Imperial demand on permanently cultivated holdings.

(Signed) W. ROBINSON.

17th June 1874.

No. 188. Minute by His Excellency the Governor.

We are now in a position to reply to the Secretary of State's despatch respecting this settlement; and Mr. Banbury's letter of October 1873 (with the Proceedings of the Board of Revenue upon it) as well as extracts from the report now before us from Mr. Thornhill in so far as it relates to this subject, should accompany our reply.

2. Mr. Thornhill confirms the opinion which I expressed in my Minute of 6th May 1873 upon this settlement. As regards a very considerable portion of the land assessed, the increase upon former payments is on an average 60 per cent; in some villages it exceeds 100 per cent; and in rare instances it is of more than 300 per cent. It is evident, also, from Mr. Thornhill's statements that it would be no exaggeration to describe the popular feeling on the subject of these no

rates as one of astonishment and dismay. I cannot think that it was ever intended by those who initiated and have from time to time prescribed rules for the conduct of the survey and settlement in this Presidency that the rules which they prescribed should result in arrangements so disastrous as this to any portion of the people. It is reasonable to suppose that the theoretical equity believed to be involved in such operations as "classification of soils," "twenty years' commutation," or "half the net profits" was never meant to supersede the consideration that the welfare of the cultivators should be one paramount object of our Government, and that it is impossible to bear in mind that welfare and at the same time suddenly to discover that they must henceforth pay double the amount which they have been in the habit for a long series of years of contributing to the revenue. There can be no doubt, indeed, that the survey and settlement of Madras was begun not with the intention of increasing but of diminishing the payments of cultivators, upon whom the low prices of that time had taken effect with extreme severity. The doctrine has since been more or less accepted,—a doctrine which is, however, of modern growth and repugnant to the most cherished traditions of popular feeling,—that the State may fairly claim its share in the advancing agricultural prosperity of the country, and that the ryot has, therefore, no right to anything like permanency in the condition of his tenure. But notwithstanding this, it is satisfactory to find that the Home Government has (of late years at least) never ceased to watch jealously the application of its own rules, and shown a disposition to prevent any such action upon them as would enhance beyond a very small per-centage the demands upon the agricultural population. And this the more, because of the "cesses," which in themselves, enhancing the demand upon the cultivators by some 12 per cent., have seriously affected for the worse the condition of the people. I cannot agree with my Honorable Colleagues in their estimate of these "cesses." In the first place, I think that their imposition is of very doubtful equity, considering the terms on which our ryots had been led to believe that their land was held; In the next, I think that no theory more disastrous to the interests of the poorer and most numerous class of cultivators has ever arisen than that, if we wish to improve their physical and moral condition, we must impose upon them, in addition to what they have hitherto contributed to the State, this novel burden of local taxation. Nothing (as I believe) has tended more to shake the faith of the natives of this country in the justice and beneficence of our rule than this sudden accumulation upon them of taxes all the more formidable because unknown and unimagined before, and on which it is very difficult to persuade them that a Government, which not only imposed such taxes but justifies them on the ground that they are "for the benefit of the people themselves," will ever place any final limit. I think it may at all events very safely be said that these "cesses" should be a powerful reason for carefully restricting our new assessments.

4. I do not think that Mr. Thornhill's proposals, though in the right direction, sufficiently meet the case. I consider that, if only for the sake of precedent and as regards the general effect to be produced upon the popular mind, a more decided measure is required. I would allow no increase in assessment of more than 20 or at most 30 per cent; and this increase I would spread over several years, leaving, however, considerable discretion to the Collector in regard to the application of the order to individual cases.

14*th July* 1874.

(Signed) HOBART.

No. 189.

Minute by the Hon. J. D. SIM, C.S.I.

I HAVE again read Mr. Thornhill's report, but cannot put the same construction on it as my Honorable Colleagues do. He says (paragraph 71) that he fully believes "that the settlement has been framed with great accuracy, and that, so far as it is at all possible, the burdens on the land have been equitably and fairly distributed;" and he adds emphatically (paragraph 72): "I would not recommend that one figure of Mr. Rundall's settlement should be altered." The district officers (paragraph 59) testified similarly to the admirable manner in which the settlement had been conducted, and the objections of the ryots are shown (paragraph 60—64) to be untenable. I cannot call to mind any settlement which has been so generally and fully approved. Mr. Thornhill's

only suggestions are that a sum of Rs. 18,867 added by Mr. Banbury to the assessment of some lands in the delta should be remitted and that all material increase of assessment should be gradually imposed, which was always intended. The lands which Mr. Banbury proposed to assess somewhat higher than Mr. Rundall originally intended are among the most fertile, best irrigated, and most valuable in the district; and I really cannot see that any valid reason is assigned for the remission; but however this may be, the fact that this is the only change Mr. Thornhill has to suggest shows with what care and fidelity the settlement has been carried out. Mr. Rundall himself acquiesced in the enhancement proposed by Mr. Banbury.

2. It certainly is the case that when the new survey and settlement were originated it was anticipated that reduction of assessment would be the general result, because prices were very low; but so far as I am aware it was never intended that the State should give up any increase while it should also lose by any decrease that might result. The half-net was determined on as the proper share of the State which accepted any gain or loss that might ensue. If we can now show that half of the net produce is more than the ryot can pay or the State should take, I have no doubt that the Home Government will readily reduce it; but I am at a loss to understand how we can assert this, nor do I see how we can propose that,—whatever the increased assessment properly payable may be,—no enhancement exceeding 20 or 30 per cent. is ever to be made. Such a proposal seems to me opposed to the fundamental principle of the new assessment. If, where land is proved to be over-assessed, the Government is bound to reduce the assessment, it seems to me to follow that where the assessment is proved to be too low the Government is entitled to raise it. The result of the revised assessment is not a universal increase: some lands are relieved, while others have their assessment enhanced; and the consequence of limiting enhancements while reductions are continued in full force will be to render revisions of assessment a serious financial loss. The order passed last year, when drought was apprehended, forbidding enhancements consequent on the new settlement, entailed a reduction of Rs. 3,40,000 on the existing settlement. Then, again, if we adopt this principle in Nellore, we must apply it also to districts already settled. For instance, in the Kistna District adjoining Nellore the assessment was raised from five to eight lakhs, the individual enhancements rising in some rare cases to 500 per cent. If 30 per cent. be the limit of enhancement in Nellore, we must, in equity, adopt the same limit to the Kistna, and do the same in the other districts already settled. I have already said that it was originally expected that owing to low price the new assessments would be lower than those then existing, and this would probably have been the case had the Government left the existing assessments as they were; but in anticipation of the new settlements per-centage reductions, characterised perhaps by more of liberality than of discrimination, and aggregating some four lakhs yearly, were intermediately sanctioned, and hence what really would often have been reductions now appear as enhancements. Moreover, prices have since risen in a great and unexpected degree and a certain portion of the enhancements is due to the circumstance of land heretofore classed as "dry" being now classed as "wet" owing to the improvement and extension of the means of irrigation. I am quite satisfied that the assessment proposed by Mr. Banbury for Nellore is fair and well within the means of the people, and that it fully meets the instructions laid down for our guidance; and I, therefore, deprecate any modification of it beyond the gradual imposition of the new rates where they materially exceed the old rates. The district, I may add, has gained by the abolition of the pullary tax on cattle as well as the moturpha. Our returns show that while 412,000 acres occupied in fasli 1262 (A.D. 1852-53) bore an assessment of 14,50,000 Rs., 911,000 acres, occupied in fasli 1282 (A.D. 1872-73), were assessed at only 17,50,000 Rs.; thus though the area has more than doubled, the addition to the assessment is less than one-third!

3. I have nothing to add about the cesses. The only cess at present in force is the land-cess, which I am confident the people can easily pay, and for which they receive an ample equivalent.

(Signed) J. D. SIM.

No. 190. ORDER THEREON, 16th October 1874, No. 1,333.

Land Revenue, No. 7.

THE Government have received, with reference to the inquiries put by the Secretary of State in his despatch, dated 24th July 1873, No. 18, reports from the Director of Revenue Settlement, through the Board of Revenue, in reply to G. O., 25th August 1873, No. 900, and from Mr. Thornhill, First Member of the Board, who was directed in G. O., dated 22nd January 1874, No. 98, to inquire into the points raised by His Grace the Duke of Argyll.

2. It appeared to the Secretary of State, on a perusal of the Proceedings (6th March 1873, No. 267) of this Government accepting the revision of the assessment which had been made in the six taluqs composing the principal division of Nellore, that there were doubts as to the propriety of the recommendations which had been submitted by the Settlement officers and approved by the Board of Revenue and this Government; and, before confirming the arrangements, he desired to be informed how far this assessment conformed to the principle of taking not more than one-half the net produce of the soil, and also what the selling price of land actually is in Government and in Inam lands.

3. The report of Mr. Banbury, Director of Revenue Settlement, goes minutely into all the subjects quoted in the despatch as furnishing ground for misgivings. He states that both in dry and in inferior wet lands reductions have been made, the increase falling on certain first-rate irrigated lands in the delta, which have notoriously been long unduly favored both as regards area and assessment. The average wet assessment fixed by the new settlement for Nellore is said to contrast favorably with that in force in other districts. The commutation rate adopted finally for paddy in accordance with the rules in force for the guidance of the Settlement Department when applied to the actual prices ruling during the last eight years gives, it is asserted, a handsome margin in the ryot's favor. Mr. Banbury further submits that the grain yields instead of being high are for both dry and wet grains lower than in other districts; that the allowances for carriage of produce, vicissitudes of season, etc., are, as to the first, the same as in other districts, and as to the second, more than usually liberal; and that, if the tendency had been towards exacting as much as the people can pay, he would not, as he has, have recommended that in 382 villages reductions of assessment to the amount of Rs. 57,481 should be made. On the further points mooted, he observes that the position of the district as to foreign trade is not unfavorable to the producers; that Nellore in point of small occupants shows better than thirteen other districts; and that "in no settlement has the half net been worked out with such care and fidelity."

4. On the question of the actual selling price of Government land Mr. Banbury is not able to obtain much additional information. As to sales of Inam lands there is none. If prices realised at sales for arrears of revenue afford any criterion, Nellore is not more behind hand than the adjacent district of Kistna, though it is doubtless true that the price of land in the northern districts is much lower than in those south of Madras.

5. Adverting to the history of the province since it became subject to the British Government, the Director points out that the revenue for the decade ending

with 1870 is but a few rupees higher than that o[illegible]tained during the first ten years of the century, though prices now stand much high[illegible], a large outlay has been incurred on public works, and considerable additions of te[illegible]ritory have been acquired in the interval. The reductions which have been made in late years were, he says, so managed as to leave the unduly high rates still proportionately exorbitant and to reduce to next to nothing those already too low.

6. The Board of Revenue in submitting thi[illegible] report observe that it is "full and conclusive," and requires nothing to be added. [illegible] regard to their remark quoted by the Secretary of State that "the *increase* will be [illegible]eavy and with the cesses very heavy," they explain that in no way did they intend to describe the *assessment* as being heavy. On the contrary, they consider the assessment fair, "and believe that the half-net principle has been more closely followed, and that the details have been more uniformly dealt with in this settlement than in any other."

7. The conclusion to which Mr. Thornhill comes, after a personal investigation on the spot, is that not one figure of Mr. Rundall's settlement should be altered, and that there is no ground whatever for relieving the Nellore ryots of their fair share of the burdens of the State.

8. The inequality in rates which has [illegible]en rise to the present difficulty is explained in paragraphs 66—69. Formerly, w[illegible] the assessment was considered too high reductions were made by Mr. Smalley; but [illegible] operations only extended to parts of Nellore and Gudur, and the villages so dealt with were, therefore, better off than the rest of the district. When a subsequent measure of relief was afforded, it was given in the shape of a general reduction all round, so [illegible]at the already favored villages again benefited by having "their assessments reduce[illegible] beyond all reason" (paragraph 68). The result of the strict scrutiny set on foot by the Settlement Department was that this discrepancy was brought to light, and these highly favored villages called upon to pay an increase, in some cases exceeding 100 per cent., while in rare cases, individual holdings were assessed at treble the original amounts.

9. The Board, Mr. Thornhill, and all officers consulted are of opinion that there will be no hardship if the increase is imposed gradually in cases where the assessment has been considerably raised. The Board think that Mr. Banbury's suggestion for realising the excess by increments extending over six years may be adopted. Mr. Thornhill proposes a scale for gradual enhancement where the increase is exceptionally heavy by which an increase of 300 per cent. would be spread over 20 years, 200 per cent. over 15 years, 180 per cent. over 10 years, and so on.

10. Besides this relief, Mr. Thornhill would adhere to the rates originally proposed by Mr. Rundall, by which an increase o[illegible] Rs. 18,867, suggested by Mr. Banbury and approved by the Board and Government, [illegible]ould be remitted on wet lands which had already had their assessment very heavily raised, and the average per acre be reduced from Rs. 6-5-4 to Rs. 5-14-6.

11. The following comparative statement which has been [illegible]tained from the Settlement Office shows the extent and assessment of dry and wet lands in the inicut villages of the Nellore District under former arrangement[illegible] compared [illegible]h the new settlement.

Talugs.	Description of Land.	As per Revenue Accounts.			As per new Settlement.					Difference.			
		Extent.	Assessment.	Average.	Extent.	Assessment proposed by Mr. Rundall.	Average.	Assessment as per Director's modification.	Average.	Between Columns 4 and 9.	Per-Centage.	Between Columns 7 and 9.	Per-Centage.
1	2	3	4	5	6	7	8	9	10	11		12	
		ACRES.	RS.	RS. A. P.	ACRES.	RS.	RS. A. P.	RS.		RS.	RS.	RS.	
.....	Dry.	20,206	18,914	0 15 0	17,615	17,541	1 0 0	17,539	1 0 0	— 1,375	7	— 2	.....
	Wet.	25404	1,18,675	4 0 7	31,989	1,91,599	5 13 10	2,05,632	6 6 11	+ 86,957	73	+ 14 033	7
Total ...	.....	45,610	1,37,589	.....	49,605	2,09,140	.....	2,23,171	.....	+ 85,582	62	+ 14 031	7
Gudur	Wet.	7,299	8,146	1 1 10	7,058	6,019	0 13 8	6,017	0 13 8	— 2,129	26	— 2	.....
	Dry.	12,310	53,973	4 6 2	12 375	70,550	5 11 2	75,387	6 1 5	+ 21,414	40	+ 4,837	7
Total ...	.....	19,609	62,119	.....	19,433	76,569	.....	81,404	.....	+ 19,285	31	+ 4,835	6
Total ...	Dry.	27,505	27,060	0 15 9	24,674	23,560	0 15 5	23,556	0 15 5	— 3,504	13	— 4	.....
	Wet.	41,714	1,72,648	4 2 3	44,364	2,62,149	5 13 6	2,81,019	6 5 4	+1,08,371	63	+ 18,870	7
Total ...	.....	69,219	1,99,708	.....	69,038	2,85,709	.....	3,04,575	.....	+1,04,867	53	+ 18,866	7

12. If the settlement already sanctioned holds good ... re with ... e a decrease of 13 per cent. in the *dry* and an increase of 63 per cent. ... *wet*, the average charge on the former being Rs. 0-15-5 and on the latter Rs. 6-5-4.

13. The adoption of Mr. Thornhill's modification (paragraph 10 *supra*) would reduce the wet assessment to 56 per cent. in excess of the former revenue, *i.e.*, the amount entered in column 7 (Rs. 2,62,149) would be collected instead of that shown in column 9 (Rs. 2,81,019), and the average charge per acre would be Rs. 5-13-6 instead of Rs. 6-5-4 as sanctioned, and Rs. 4-2-3 as heretofore in force.

14. There can be no doubt that a large area of land in this part of Nellore was formerly assessed in an exceptionally favorable manner, and that the principles on which the re-assessment has been made are in accordance with the system which has been followed throughout the Presidency in districts which have been resettled. Neither can it be denied that the net-half of the average annual outturn has been accurately adhered to in making the necessary ... culations and that on the average the settlement of the district is equitable and defen...le.

15. The careful inquiries which have been made, and the results of which are recorded in the papers now under review, satisfy His Excellency the Governor in Council that the statements respecting this se... ent noticed in paragraph 2 of the Secretary of State's despatch already adver... to as being those of the Board of Revenue, but which, in fact, were, except ... sh, those of the Government were scarcely warranted by the facts of the case.

16. There have doubtless been enha... ts of the demand in particular instances; but those are inseparable from a rev... nich has for its object the determination of a fair assessment and its equal imp... on all alike. In this particular district the cases of unduly low assessments ... abnormally numerous owing to the frequent changes in the assessment effected by different officers on different principles and the absence of any survey.

17. In determining to reaffirm the decision by which the settlement proposed for these taluqs was sanctioned, His Excellency the Governor in Council bears in mind that in individual cases the increase of assessment has been unavoidably heavy, and in order to meet as far as possible the hardships inseparable from a sudden addition to taxation, he resolves to apply the re... ties proposed by Mr. Thornhill, and which have already been described in parag... 9 and 10 of this order. They are in accordance with general official opinion on ... sufficiently liberal to meet the object in view.

18. In carrying out these orders and ... new settlement both the Collector and Settlement officer will exe... discretion in all cases where the latitude is desirable. The order passed on th... lar 1373, No. 806, modifying for the then current year the operation of the ... settlement rates will now be ... called and the new rates, with the modifications already described, introduced during the current fasli.

(Signed) G. MASTER,
Secretary to Government.

Exd. F. R. Bantleman.

5/5/34 II

Govt. of 1874 Wdrn.

REVENUE.

To

THE BOARD OF REVENUE,

&c., &c., &c.

Dated October 16th.

Read.

G. O., 16th October 1874, No. 1,333.

OCTOBER.

Nos. 180-190.

9

MADRAS, 20th *March* 1874.

FROM

G. THORNHILL, ESQ.,
First Member of the Board of Revenue,

To

C. G. MASTER, ESQ.,
Acting Secretary to Government, Revenue Department.

SIR,

I HAVE the honour to submit the Report called for in Proceedings of Government, dated 22nd January 1874, No. 98, and to state that, in accordance with the instructions conveyed therein, I left Madras on the 31st of January and arrived at Nellore on the 2nd February.

2. After consultation with Mr. VansAgnew, the Collector, and some of the leading Native officials, I started on a tour in company with Mr. VansAgnew, in the course of which I visited portions of the taluqs of Gudur, Rapur, Atmakur, and Nellore, and inspected some of the best grazing farms and fuel-reserves in each. I subsequently made a short tour in the delta of the Pennair in company with Mr. Rundall, Deputy-Director of Revenue Settlement, and visited some of the villages in which the assessment under the new settlement has been largely enhanced.

3. The subjects on which I was directed to report were the kanchas or grazing farms, the fuel-reserves, and the incidence of the new settlement.

4. The two first-named subjects are very closely allied to each other, but as they have at times been treated from separate points of view, I propose to treat of each distinctly.

5. KANCHAS OR GRAZING FARMS.—In respect to the kanchas or grazing farms of Nellore, although they have formed the subject of very voluminous correspondence as noted in the margin, a few lines explanatory of their later history may not be out of place.

G. O., 27th March 1858, No. 400, in Con., 30th March 1858, R. D.
Proceedings of the Board of Revenue, 18th June 1859, No. 2,843.
Proceedings of Government, 2nd May 1860, No 701, R. D.
Board's Proceedings, 21st January 1862, No. 488.
Do., 17th March 1864, No. 1,671.
Proceedings of Government, 29th August 1864, No. 1,561, R. D.
Proceedings of Government, 2nd September 1865, No. 2,071, R. D.
Board's Proceedings, 2nd September 1867, No. 5,688.
Memo. on the Pullary-tax in Nellore submitted to Government with Board's Proceedings of 2nd September 1867, No. 5,688.
Proceedings of Government, 13th November 1867, No. 2,676, R. D
Board's Proceedings, 18th July 1868, No. 5,236.
Proceedings of Government, 3rd July 1869, No. 1,302, R. D.
Do. 13th November 1869, No 2,957, R. D.
Do. 25th January 1870, No. 136, R. D.
Do. 14th May 1870, No. 709, R. D.
Do. 19th October 1871, No. 1,819, R. D.
Do. 5th January 1873, No. 13, R. D.
Do. 5th March 1873, No. 258, R. D.
Do. 4th April 1873, No. 386, R. D.
Do. 4th August 1873, No. 1,489.
Board's Proceedings, 2nd August 1873, No. 939.
Proceedings of Government, 8th August 1873, No. 939, R. D.
Do. 3rd December 1873, No. 1,344, R. D.
Do. 22nd January 1874, No. 98, R. D.

6. From the beginning of the century, pullari or pasture-tax had been collected in Nellore in common with many other districts. Originally it was levied as a capitation-tax on all cattle, except those employed in tillage; it was subsequently commuted into a fixed sum on each village, and the details of the tax seem to have been modified from time to time; but, under one name or another, the cattle were taxed up to 1867.

7. At the same time, certain large grazing tracts in the western part of the district, entitled kanchas, had always been rented out for pasture, and, when the pullari-tax was abolished, these grazing farms still continued to be leased out as such.

8. Although the abolition of the pullari-tax in Nellore had been often proposed, it was not until 1867 that it was finally put an end to, and even then, in lieu of pullari it was determined that, after allowing to the villagers, as free pasture, a tract of waste land equal to 30 per cent. of

their cultivated area, the remaining waste lands should be rented out for grazing to the highest bidder, the kanchas or extensive grazing tracts, which were already rented, not being affected by the order.

G. O., 13th November 1867.

9. The system then adopted, with some further modifications recently made in connection with fuel-reserves, is still in force, and it is to that part of it which provides for the yearly sale by auction of the surplus lands in each village that Mr. Dykes has taken exception in his letter to the Secretary of State, and to which Mr. VansAgnew alludes in his letter to the Board.

13th June 1871.
G. O., 19th October 1871.

10. The drift of Mr. Dykes's letter is to point out that in renting by auction the surplus grazing lands of the villages, instead of giving the villagers the prior right of occupancy on lease at a fixed rate per acre as proposed by him, the said villagers are placed at the mercy of any outsider who may have a grudge against them; that their herds are liable to be deprived of their natural grazing grounds; and that their very existence as cattle-breeders is at stake. Mr. Dykes further urged it as his belief that, had his views been fully understood, they would not have been set aside by the Board and Government.

15th October 1872.
G. O., 4th April 1873.

11. In reviewing Mr. Dykes's letter, the Government pointed out that their decision had been arrived at after full consideration of all that Mr. Dykes had written on the subject; but, in appreciation of Mr. Dykes's continued interest in his old district, directed the Board to call for a further report on the working of the system from the present Collector.

12. This report has been furnished, and Mr. VansAgnew states that, after extended inquiry, he has come to the conclusion that the result of the auction-system has been rather to lower the rates paid for grazing grounds than to enhance them; that it has not had the effect of depriving the villagers of their occupancy, as, with but few exceptions, the tenancy remains with the same people; and that it has had no appreciable effect, one way or other, on cattle-breeding. But Mr. VansAgnew agrees with Mr. Dykes in his view that the auction-system is hateful, in the extreme to the villagers, and that the undefined demand to which it gives rise against the poorer ryots is productive of many evils; and recommends that the grazing lands be classified and assigned to the villagers in proportion to the amount of their respective puttas; he makes this recommendation in the belief that even if the grazing rents were entirely abolished,—a course which he would prefer,—the poorer ryots would still be made to pay for the benefit of their more powerful neighbours and for corrupt officials.

15th October 1872.
G. O., 4th April 1873.

13. In consequence of this report the Government directed a Member of the Board of Revenue to investigate the matter on the spot, and the result of the investigation is given below.

14. There is no doubt that the system of leasing all surplus grazing lands by auction is thoroughly unpopular, and that, as a general rule, it has failed to throw open the pastures of the western taluqs to the free use of the cattle-owners on the coast; at least in the way contemplated by the originators of the scheme.

15. The cattle of the eastern taluqs no doubt resort in large numbers to the western pastures; but, as a rule, their owners enter into private arrangements with the inhabitants of the western villages who themselves rent the pastures from Government.

See Statement.

16. The prices realized at auction certainly, as shown by Mr. Dykes and Mr. VansAgnew, on an average less than they are worth, and less than the villagers would willingly pay for them by private arrangement with the Government.

17. That this view is not a mere speculation is proved by the fact that when, in last year, Mr. VansAgnew offered the grazing* of the fuel-reserves to the villagers, they willingly and unanimously agreed to pay two Annas per acre for the simple right of grazing cattle in those tracts, agreeing to exclude all goats and to prevent wood-cutting. This was done not in a few favourably situated villages, but in villages scattered all over the districts, some of them far in the west in the midst of most extensive jungles and pasture land. The rent was agreed to cheerfully to avoid the annoyance of competition and to rid themselves of the presence of the wood-watchers who had been appointed to watch the fuel-reserves and to exclude all cattle from them.

* Note.—To be more particularly noticed under the head of fuel-reserves.

18. As regards pasture lands the district may be divided into two portions, viz., the eastern or sea-coast taluqs and the inland or western taluqs: the former are more thickly populated, and have a much larger proportion of their area cultivated than the latter. There is much wet cultivation, especially in Nellore and Gudur, and during the chief cultivating season, viz., from September to February, there is but little space for cattle-grazing.

In the latter, the area is very largely occupied by jungle and grazing ground, and the pasture is no doubt far in excess of the wants of the local population.

19. From time immemorial, a portion of these lands have been classed as kanchas or pasture farms, and have been habitually leased out by the State sometimes to strangers and sometimes to the villagers themselves for certain fixed money-rents. This practice prevailed even when the pullari or cattle-tax was also in force; but these lands (the true kanchas) bore but a small proportion to the ordinary waste or pasture lands of the country, over which the villagers who paid the pullari-tax had grazing rights.

20. Under the existing rules, the old kanchas are still rented, and to them have been added the ordinary waste lands of the villages; an extent equal to 30 per cent. of the cultivated area of each village alone having been excluded from the rent and assigned as free pasture for the village cattle.

21. When the pullari-tax was in force the villagers had the free run of all the waste, and, though they have been relieved from the tax, they feel the restriction to the narrow limits of the 30 per cent. as a hardship. They are willing to pay a fair rent for the pasture; but they dread the chance of being out-bid by others at the annual auction.

22. Had the 30 per cent. waste been always fairly allotted, it would still have been a short allowance for cattle accustomed to a much wider range; but, as a matter of fact, this 30 per cent. was often of late years much trenched upon.

23. During the latter part of Mr. Dykes's incumbency of office, and during the time that the late Mr. Boswell acted as Collector, great attention was paid to the extension of fuel-reserves; and in not a few instances the subordinate officers, in their zeal for forming eligible reserves of wood, did not hesitate to curtail the free pasture, and every odd corner of unoccupied ground, whether suitable for grazing or not, was included in the 30 per cent.

24. Mr. VansAgnew informed me that he had rectified many instances of this kind that had come to his notice; but I am able to speak from my own knowledge in the matter from having accidentally come across an instance. In riding through the village of Iyavaripally, I asked the village authorities to point out their free pasture lands. They showed me a tract of wretched saline land, with little or no grass in it, and on inquiring the extent, I found it was not more than 20 per cent. of their cultivation, while a tract of jungle, with fair pasture in it, belonging to the village, had been taken up to round off the adjoining large fuel-reserve at Chhagerryputnum.* Of course the Collector was aware of this and similar abuses, but the subordinates in their zeal thought to gratify him by showing a good tract of reserved wood.

* In Atmakur Taluq, about 2[illegible] miles from Nellore.

25. The desire of the western villagers to retain the waste lands in their own possession does not arise solely or even principally from the want of pasture for their own cattle. A much less extent than they hold would suffice for that. They have considerable herds of their own, and deal in cattle on a moderate scale; but, as a rule, I am told that the herds of the eastern taluqs are larger than those of the western, and that the principal dealers in cattle belong also to the coast taluqs.

It must be remembered the cattle of the more noted breeds are only found in the northern taluqs, where there are no such extensive pasture lands as are here treated of, and to which part these remarks have but little application; there the herds are small, and the choice cattle are mostly home-reared and well cared for under the immediate eye of the owners.

26. But the western villagers have always made a considerable profit by sub-letting the rights of pasture in their villages to others bringing cattle from a distance. In cases of large owners a considerable tract of pasture land will be handed over for their use at an enhanced rate; whereas in the case of smaller owners the villagers sometimes charge a certain rate per head, which includes the entire care of the animals.

27. The arrangement in the case of small owners is obviously a convenient one, and at the same time is a source of profit to the western ryots.* The rates charged are somewhat high, and are, to a certain extent, complained of; but as the coast ryots have taken so little advantage of the auctions in securing pasture lands direct from Government, it may be presumed that the system has its advantages, not the least of which is that it secures the good-will and co-operation of the people in whose neighbourhood the cattle graze, and averts their enmity and the evils which might result therefrom to the cattle.

NOTE.—About one Rupee a head for the season of six months.

28. In re-arranging the system under which these pastures should be distributed, the ends to be kept in view are—

(1.) To secure to the residents of each village free pasture for their own cattle, to the full satisfaction of their wants, so far as it is available within the limits of their respective villages.

(2.) To place the surplus pasture lands of the western taluqs at the disposal of the cattle-owners on the coast on payment of a moderate grazing rent in the manner most convenient to all concerned.

(3.) To take the necessary precaution to prevent any interference with the proper extension of cultivation.

29. When the system of leasing the pastures by auction in lieu of pullari was first discussed, Mr. Dykes proposed that an extent of pasture land equal to one-fourth of the cultivated area should be granted free to the villagers. The Board increased that allowance to 30 per cent., and it was then assumed that a sufficiently liberal concession had been made. I think the assumption was erroneous, and, as I have pointed out above in paragraph 23, the so-called 30 per cent. had often been curtailed.

30. I would now suggest that all grazing rents should be abolished, except in villages where the surplus is so large as to be really worth letting out in separate lots. I think that, as a rule, where the waste does not exceed 150 per cent. of the cultivated area, it should be left to the villagers free. I think that where the waste exceeds the latter extent, a tract equal to 150 per cent. of the cultivation should be set aside as free pasture for the villagers, and that all in excess of that should be divided by the Collector into convenient lots and advertised to be let for pasture at certain fixed rates per acre by tender or durkhast. With a view to fixing the rates, the grazing lands must be roughly classified. This the Collector informs me that he sees no difficulty in accomplishing. The rates should be, I think, Annas 3, Annas 2, and Anna 1 per acre. The higher rate of 3 Annas is not too high for the best lands I know, as it has been offered by more than one cattle-owner, and it is far less than is often paid now as sub-rent to villagers; and as none but really fair grazing lands will be leased out, I do not think 1 Anna can be thought too high for a minimum.

31. I would recommend that leases should run for five years, and for a longer period in some exceptional cases to be described hereafter; and that during the currency of these leases the land should not be available for cultivation on durkhast. This last condition may be thought perhaps to trench on the acknowledged privileges of the villagers; but I think that ample provision for the extension of cultivation for five years will have been made if the tract set apart for free pasturage, equalling 150 per cent. of the cultivated area, is also available for occupation by intending cultivators.

32. The cases in which still longer leases should be granted would be those in which owners of exceptionally large herds in the coast taluqs might be allowed to rent pasture lands for terms of ten years.

33. There are at present some instances of this nature: I know of one ryot of the Nellore Taluq, owner of upwards of 1,000 head of cattle, who holds on lease a kancha in the Rapur Taluq of some 3,000 acres in extent. It has been in the possession of his family for upwards of thirty years, and they have spent considerable sums in digging tanks and wells for the supply of the cattle in the dry season. It is but right that a man in his position should have some security against being out-bid at auction for his pasture, and that he should not be liable to have a patch of land in its midst taken up for cultivation. Mr. VansAgnew presses this point much. He is desirous that he should be enabled to assign to such men long leases of good pasture farms. He would extend the term to twenty years and upwards, but I am myself of opinion that it would not be politic to anticipate the future so far; ten years would, I think, be enough.

34. I have proposed that these lands should be classified roughly and let by tender or durkhast in preference to being put up to auction. The latter system has, I think, clearly failed to fix the true value of the land, or to produce any good result; on the other hand, it has proved a fertile source of ill-feeling and discontent amongst the people, and should be avoided in future. It is, I think, the very worst system that can be adopted for renting out farms of any kind. We have had ample proof of its ill-effects in the case of Abkari farms, fishery rents, and the like.

35. The above propositions have been made after frequent discussions with the Collector, with the Deputy-Director of Revenue Settlement, with the leading Native gentlemen employed in both departments, and with others independent of the Government service, and I think they will fairly meet the wishes of all.

Should the Government approve of their general principle, I would suggest that in carrying them into effect the Collector should have some latitude of discretion as to details. Many points may arise in giving practical effect to rules of this nature which are most readily disposed of by officers possessing local knowledge and experience.

36. FUEL-RESERVES.—The question of encouraging the growth of wood for fuel on waste lands seems to have been first raised, with any degree of earnestness, in 1863.

The order of Government, publishing a Minute of Sir W. Denison, dated 6th November 1863, No. 1,994, called the attention of all Collectors to the subject, and, as far as Nellore was concerned, led to certain propositions by Mr. Dykes, the Collector, which are recorded at length in the Proceedings of the Board noted in the margin.

Board's Proceedings, 10th September 1864, No. 6,124.

37. Mr. Dykes's original proposition was to occupy within a radius of ten miles of the town of Nellore an area of 17,000 acres of waste land for the production of firewood for the use of the town-population. This area, he calculated, would be sufficient when planted for a permanent supply of fuel for the 25,000 inhabitants of Nellore, and he estimated that the price of the fuel would be reduced by the difference of cart-hire between a maximum of ten miles and one of twenty-five miles, from which distance firewood was then being carted.

50. Along the water-courses and along the road-sides, where drains have been cut and a little additional air and moisture thus admitted to the roots, it is tolerably thick; but in other places it is very scanty; and the Wood Overseer of the district, a man of experience, estimates that it would not yield on an average more than about three cart-loads to the acre.

51. The 7-acre lot which was so carefully conserved by Mr. Dykes is a trifle thicker than the rest, but chiefly, I think, from its being in the line of a water-course; it might yield four carts to the acre.

The 30-acre lot which was sown three several times is a bare plain, with a few dwarf shrubs on it.

With a view to future felling of this jungle, Mr. VansAgnew has put down aloe-fences round the divisions, so that when cut by divisions the cattle may be excluded while the jungle recovers itself.

52. The experiment has not proved as satisfactory as was anticipated, but I do not think that it should be abandoned. I would propose that all the reserves within twenty miles of Nellore should be divided into lots and let for cutting at the rate of one-eighth of the whole in each year, and that the portions so cut should be kept free from cattle for some two or three years to allow them to shoot again. It will then be seen in the course of a few years whether the jungle will re-produce itself, and whether the price of fire-wood in Nellore will be reduced. At present the cost is high, some 5 Rupees a bandy-load. Some is brought from the north of the Pennair, and some from the jungles about Chaganum and Sydapur in the Rapur Taluq, more than twenty-five miles distant.

I think that there is wood enough between seven and twenty miles of Nellore to supply the wants of the town if the jungles will re-produce themselves in seven or eight years with a moderate amount of conservancy; but this has not yet been tried.

53. Before closing this part of my Report, I would mention that in returning to Madras by canal I visited the jungles of Striharicottah which supply Madras with so much fire-wood. The jungle is divided into eight divisions, one of which is let out for cutting yearly. It is situated as the Government are aware, on the sandy strip of land lying between the sea on the one side and the Pulicat Lake and the East Coast Canal on the other. The soil is sandy, but as there is everywhere water near the surface the growth of the jungle is rapid.

54. I saw the division in which wood-cutting is now going on, and remarked that a very large portion of the wood is left uncut, trees exceeding nine inches in diameter are not allowed to be felled, and the wood-cutters seem to select only the most easily worked bushes; the thorny ones are generally left; the consequence is that there is plenty of foundation for renewal and shade to protect the young shoots.

55. I visited also the jungle cut last year where the stumps of last year's cutting were shooting with vigour; even this division has more wood on it now than the best of the reserves near Nellore. Still, as Mr. Boswell remarks, it is probable that the jungle does not renew itself to the full after every cutting. I observed a good number of dead stumps and not many seedlings. I would recommend that something be done towards sowing seeds of the best kinds of trees after each felling.

56. The cattle of the resident-villagers are allowed to graze freely at all times; they are, however, few in number, and do no harm; outside cattle are excluded.

The jungle of seven years' growth and of six years' growth was very strong and luxuriant.

57. NEW SETTLEMENT.—As regards the new settlement, I am directed to report on the points raised by the Secretary of State in his despatch of the 24th July last, they are—

(1.) How far this assessment conforms to the principle of taking not more than one-half of the net produce of the soil; and,

(2.) What the selling price of land actually is in Government and Inam lands.

These points were so fully discussed from a technical point of view by Mr. Banbury, Director of Revenue Settlement, in his letter communicated to Government, with Board's Proceedings, dated 22nd November 1873, that I felt I should best comply with the instructions given to me by making a general inquiry into the causes which had led to the great inequality of rates, into the effects of the rise in rates on individual land-holders and on property invested in the land, and into the general feeling on the subject among the people.

58. With this view, I consulted freely with the Collector, the Deputy-Director of Revenue Settlement, with the leading Native officers of both departments, and with a number of the larger and more intelligent ryots and heads of villages holding land in the delta of the Pennair.

59. The first-named gentlemen were unanimous in saying that there was no doubt the settlement had been conducted with the utmost care and attention, that every step had been carefully weighed, and that nothing had been left undone which could help to the attainment of an equitable adjustment of the Government dues on the land. But all were agreed that where the increase of rates was so heavy, amounting in the case of some entire villages to a rise of more than 100 per cent. and in individual cases reaching some times to even 200 and 300 per cent., it would be impossible, without great hardship, to impose the full rates at once. It was pointed out that the rise would operate with especial hardship in the case of non-resident land-holders, and instances are known in which lands belonging to absentees have been rented to ryots for some below the newly imposed settlement rates, and in which the owners have found it impossible at once to get even assessment as rent for them.

60. The last-named persons, viz., the land-holders themselves, were naturally not disposed to admit even the equity of the rate. They urged a variety of reasons to show that the new rates were too high, viz.—

(1.) That the soil was bad.

(2.) That the kylee or grain measurements had not been fairly made.

(3.) That the irrigation was uncertain, the channels sometimes not receiving water till too late to enable them to cultivate.

(4.) That the silt deposited on lands irrigated direct from the Pennair was injurious to vegetation.

61. With regard to (1) the quality of the soil, I can only say that it is beyond a doubt that the classification was most carefully and accurately made. The soil, which is generally a sandy loam, is admirably adapted for cultivation with wet crops; the well-grown topes and gardens which are seen in considerable numbers near every village and the luxuriant, though uneven, growth of the crops sufficiently evidence the fertility of the soil.

62. As regards (2) the grain-measurements, these were made in far greater numbers in the Nellore than in any previous settlement. They were not made by the Settlement Department alone, but all grades of Revenue-officers assisted in taking them. They are an uncertain means of testing the productive powers of the soil at any time, but that they were fairly and equitably made does not admit of a doubt.

63. As regards (3) the uncertainty of the supply in the channels, this supply is, of course, liable to fluctuations with the seasons. In some years, as in the current season, the supply was very late, but it has never been known to come so late that a crop could not be raised, and the Nellore delta enjoys the great advantage of being freely supplied with tanks which enable the irrigation to be maintained with much regularity. The proportion of land watered direct from the river is comparatively small.*

* Note—[illegible]

64. The objection (4) on the score of the injurious properties of the silt was one I was quite prepared for. It was loudly asserted by almost all the ryots I questioned on the subject. On the other hand, Mr. Rundall, the Deputy-Director of Revenue Settlement, told me that it was only very rarely he had heard of it. The District Engineer, an officer of much experience, and in constant

friendly intercourse with the people, had never heard of it, and no complaint had ever been made by those holding lands irrigated from river-channels in other parts of the district.

I have since heard that the bad silt is said only to be brought from certain feeders to the river which have their rise in the Nellore District, and that it is only, therefore, [illegible] floods are produced by local rains that ill-effects are felt. I have procured specimens of [illegible] from some of the channel-beds, and have submitted them to the Chemical Examiner for analysis.

65. From that officer's report, copy of which I beg to annex, it would appear that the specimens submitted contained nothing injurious to the growth of rice. From this, I think, it may be inferred that the fears of the ryots on this point have been greatly exaggerated. I do not suppose that their impressions are absolutely groundless. There is generally some substratum of truth in such beliefs; but I do not consider that any modification of the settlement should be made in consequence.

66. In considering the causes which have led to the great inequality of rates throughout the district, it is necessary to look back to its earlier history.

This will be found given at length by Mr. Rundall, and in a more condensed form by Mr. Banbury. It is only necessary, therefore, here to point out that during the management of Mr. Travers and Mr. Fraser, which lasted upwards of twenty years, although there were frequent changes, the rates seem to have been on the whole too high.

67. This was recognised by Mr. Smalley who endeavoured to introduce a more regular survey and settlement, in the course of which great reductions were made in some parts of the district, chiefly in the Nellore and Gudur Taluqs. His operations were, however, stopped by the Board of Revenue, and the result was that the villages which had been re-settled by Mr. Smalley were held on far more favourable terms than the rest of the district.

68. When Mr. Stonehouse succeeded, extensive alterations were proposed, but, except in so far as the Oodiagherry Jaghire was concerned, nothing was done.

The inequalities produced by Mr. Smalley's operations continued, and when in Mr. Elton's time it was found necessary to afford relief, the relief was given in the form of a percentage reduction of rates all round, no regard being had to the relief previously given by Mr. Smalley's; and the consequence was that the Nellore, Gudur, and some other villages, had their assessments reduced beyond all reason, while the relief afforded elsewhere was only perhaps what was really needed. This course was opposed by Mr. G. N. Taylor, Acting Collector at the time, but was nevertheless carried out.

69. The above will, I think, account in part, certainly, for the existence of the enormous discrepancies which were found to exist when the district was subjected to the strict scrutiny of the Settlement Department under Mr. Rundall. The effect of these operations has been, of course, a very large increase in the assessment of the previously favoured villages, amounting in the case of the Nellore Taluq to upwards of 60 per cent. in the wet lands under the anicut.

In the case of individual villages the increase sometimes exceeds 100 per cent., and in individual holdings instances are found, rare only of course, in which an increase of more than 300 per cent. will occur.

See Appendix to Mr. Rundall's Report.

70. However equitable in theory an increase of this kind may be, there can be no doubt that the sudden imposition of it would operate with great harshness. Even in the case of resident-cultivators, who realize the whole produce of their land, it would be very oppressive to call on them suddenly to treble and quadruple their contributions to Government; and in the case of non-residents, who may have purchased land, and who sub-let it to the resident-ryots, it would amount almost to confiscation, as it would be in the power of the residents to refuse to pay rent when equalling the Government demand, and it would be out of the power of the owner suddenly to make other arrangements for its cultivation.

The general feeling on the subject may be gathered from my remarks in paragraph 59 above.

71. It remains now for me to suggest what appears to be the best way of meeting the difficulties of the case.

I have endeavoured to show, and I fully believe, that the settlement has been framed with [illegible] and that, so far as it is at all possible, the burdens on the land have been equitably and fairly distributed. It has been framed under exceptionally favourable circumstances, having been under the direction of one and the same officer from beginning to end; and I am only repeating the universal feeling when I state that it would have been impossible to select one more competent to the task than Mr. Rundall: the department has not, and never has had, a better officer.

72. Under these circumstances, I would not recommend that one figure of Mr. Rundall's settlement should be altered. There is no ground whatever for relieving the Nellore ryots of their fair share of the burdens of the State. Their country is fairly supplied with roads: it has an extensive sea-board, with many ports frequented by Native trading vessels, and accessible to European ships if there were a call for them, and it will, in a few months, be in possession of a line of inland navigation with Madras. The East-Coast Canal will be opened to Kistnapatam by the end of this year, and the entire rice-producing area will then have inland water-carriage to the capital within a reasonable distance.

Independently of this, there is always a local market for the produce of the delta in the town of Nellore and in the inland parts of the district, where but little rice is grown, and where the price is always higher than on the coast.

73. The irrigation of the tract is exceptionally good, combining as it does the advantages of both river and tank-supply. The works of distribution have been well designed, and are being improved and extended year by year. There are, of course, some places where the larger supply channels have temporarily intercepted the old local supply of water to the land; but these are quite exceptional, and will be remedied as soon as possible; in the meantime, they should receive a temporary abatement of assessment.

74. In his letter, reviewing Mr. Rundall's Report, Mr. Banbury proposed to increase the assessment on some of the wet lands "by raising the grain-values and by altering the money rates in a few instances," the result of which was, "as regards first-class villages, to raise the assessment above that proposed by Mr. Rundall by Rupees 18,867, and to raise the average rates per acre from present average of Rupees 4-2-3 and from Mr. Rundall's average of Rupees 5-14-6 to Rupees 6-5-4," and the Board and Government acquiesced in the arrangement.

Paragraph 67, et. seq.

Paragraph 69.

75. In discussing the point with Mr. Rundall, I found that he acknowledged the fairness of Mr. Banbury's reasoning, and that he had concurred in the alteration proposed by him. Mr. Rundall, however, pointed out that the increase would fall on those lands which had already had their assessment very heavily raised; that much of the land so treated would have its rate altered from 6 to 7 Rupees; and he thought that if alleviation of rate were to be allowed anywhere, it should be here.

See paragraph 59, Mr. B.'s report.

76. Another reason has occurred to me for retaining Mr. Rundall's rates, viz., that the [illegible] of the grain-values perhaps only fairly represented the returns from the land which are probably low in comparison to the fertility of the soil, owing to the very inferior nature of the agriculture.

77. [illegible] in the immediate vicinity of Nellore, it appeared to me that the cultivation of the land in the delta was much below par.

Many of the fields in which paddy was growing were choked with weeds to an extent which must have materially diminished the return from the crop.

In others, the crop, although luxuriant in places, was very uneven, some parts being far in advance of others, owing no doubt to the system of transplanting not being practised.

The crop is sown broad-cast; it comes up unevenly, and the thicker patches are thinned out, and the plants stuck in elsewhere. I believe, too, that the ryots in the delta have, as a rule, more land than they can properly cultivate; and hitherto the rates have been so low that they did not feel the burden of a little extra land. They have a great, but not unnatural, jealousy of allowing strangers to get a footing in their lands; the consequence is that every acre in the delta, whether cultivated or not, is held on patta at the taram rates. Large tracts of grass-land are so held at Rupees 1-4-0 and at Rupees 1-2-0 an acre.

Under these circumstances then, I think that it would be well to adhere to Mr. Rundall's rates, even if below what they strictly might be increased.

78. Further, with a view to meet the hardship which would follow from the immediate introduction of the new assessment in cases where the increase of rate is very high, I beg to submit a scale prepared by Mr. Rundall, in communication with the Collector and myself, for the gradual enhancement of the rates where the increase is exceptionally heavy. If this scale is accepted, the imposition of new rates would, in cases of the greatest increase, viz., 300 per cent., be extended over twenty years by gradual increments imposed after intervals of three years.

When the increase amounted to 200 per cent., it would extend over fifteen years, 100 per cent. over ten years, and so on. This scale would be applicable only to the tract irrigated from the Pennair anicut and the Nellore tank, which includes almost all the cases of excessive increase on assessment, and it would apply to all cases in which the pattas exceed Rupees 50.

79. In cases of excessive increase beyond the tract in question, and in cases where the pattas are below 50 Rupees, a simpler scale may be adopted; the realization of the increase being extended over five or ten years at the discretion of the Collector and the Settlement Officer. Indeed, a very liberal discretion in all matters relating to the introduction of the new settlement should be accorded to the local officers. Both Mr. VanseAgnew and Mr. Rundall are fully impressed with the necessity of liberal treatment in this respect, and the joint interests of the State and the people may be safely left in their hands.

80. I was instructed further to inquire into the [illegible] but I regret that I have been able to ascertain anything in addition to what has already been recorded by Mr. Rundall and Mr. Banbury.

The few sales recorded by Mr. Rundall after searching the records of the Civil Court and the Registration Office do not certainly represent the true value of land.

As remarked by Mr. Banbury land in Nellore and throughout the northern districts generally but rarely changes hands by means of sale, and there is no recognised selling value as there is in the more southern districts.

It is remarkable that sales of land for arrears of revenue are almost unknown in the delta. Personal property is sometimes sold, but land though often attached is invariably redeemed before the day of sale.

Any argument, therefore, based on the few recorded sales could only mislead.

81. To conclude, I will briefly recapitulate the substance of my recommendations:—

(1.) In the matter of grazing (1) rents, I would advise that, in all villages where so much is available, an extent equalling 150 per cent. of the cultivated area be left for free pasture of cattle belonging to villagers of all classes and for extension of cultivation. That the surplus land divided into convenient lots, and let on 5-year leases by tender under the immediate orders of the Collector. That the Collector should have discretion to lease out certain tracts as grazing farms by private contract to the owners of large herds of cattle on leases not exceeding ten years.

That for the purposes of these rents and leases the lands set apart for grazing should be roughly classified into three classes, the rents for which should be 3 Annas, 2 Annas, and 1 Anna per acre, respectively. The extent of grazing land, as compared with cultivated area, should be carefully scrutinized at the end of each lease, and in the event of any real increase in cultivation

having taken place in the meantime the area available to the villagers should be adjusted by a corresponding decrease in the area available for grazing rent.

82. In the matter of fuel-reserves, (2) I would recommend that over an area included within a radius of twenty miles round Nellore, the reserves should be divided into lots and rented out for wood-cutting in such proportion that about one-eighth or one-tenth would be available for cutting in each year, and that after the cutting the necessary precautions should be taken for excluding cattle for three years to give the young wood time to shoot again. After which the jungle should be treated as grazing land available for rent. I recommend this, in order that the experiment organized by Mr. Dykes may be fairly carried out to its conclusion. With respect to the remainder of the district, I think that all lands now classed as "reserve" should be retained under that head, with careful adjustment from time to time to meet the wants of extending cultivation. It should be clearly understood that they are available for Government purposes at any time. Goats should be excluded and wood-cutting prohibited; but in other respects they should be treated like other waste lands and leased out as grazing farms in common with them.

83. In the matter of the new settlement, (3) I recommend that Mr. Rundall's settlement rates be retained without modification; that the addition proposed by Mr. Banbury in paragraph 69 of his report, amounting to Rupees 18,867, be remitted; and that to meet the hardship which would be felt by the immediate introduction of rates greatly exceeding those hitherto levied, a scale for their gradual enhancement be adopted; that in cases where the increment is greatest the introduction be extended over twenty years; and that great latitude of discretion be given to the local officers to meet individual cases of enhancement in the most liberal manner.

84. I need hardly add that I received every assistance in the prosecution of my inquiries from Mr. VanseAgnew and Mr. Rundall and from the subordinate officers attached to their respective departments.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) G. THORNHILL.

16

STATEMENT showing the Scale for the gradual imposition of the new Settlement in the Anicut Villages of the Nellore and Gudur Taluqs, applicable to all Puttas from 50 Rupees and ...wards.

Percentage of Increase over previous Rates of Settlement.	Years.																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
	Proportion to be charged each year until full increase is obtained.																			
300 ...	33	33	33	66	66	66	100	100	100	133	133	133	166	166	166	200	200	250	250	300
200 ...	33	33	33	66	66	68	100	100	100	133	133	133	166	166	166	200				
100 ...	25	25	25	50	50	50	75	75	75	100										
75 ...	25	25	25	50	50	50	75													
50 ...	25	25	25	50																
25 and under.	25																			

(Signed) G. THORNHILL.

From Surgeon W. MACRAE, M.B., M.C.M.A., Ag. Chemical Examiner, to G. THORNHILL, Esq., First Member of the Board of Revenue, dated Madras, 20th March 1874, No. 94.

In reply to your Miscellaneous No. 1,416, dated 2nd instant, I have the honour to inform you that I have examined the specimens of silt referred to, the result being that, in my opinion, they contain nothing that would be injurious to the growth of rice.

2. The ingredients in a soil that would be directly injurious to crops, if in large proportion, are the ones soluble in water, and I find in a recent work on the subject that "more than 2 per cent. of soluble salts indicates a rather excessive and possibly injurious amount of saline matters in the soil."

3. There was considerable difficulty in getting the quantities of soluble matters in the samples of silt, in consequence of the finely divided clay passing through the filters along with the solutions.

4. The proportions obtained were 0·38 per cent. from silt No. 1, 0·4 from No. 2, 0·33 from No. 3, 0·44 from No. 4, and 0·36 per cent. from No. 5.

5. In all, the soluble salts were the same, namely, chloride of sodium, chloride of calcium, sulphate of calcium, and a little carbonate of calcium and sulphate of magnesium. There may have been a little potash salt and phosphate, but in very small proportion.

6. Agricultural soils must contain these compounds, as they are needed for the nutrition of plants such as paddy.

7. The bulk of the five specimens consisted of fine clay and carbonate of lime, with a little sand, forming what is known as marle.

(True Copy.)

(Signed) G. THORNHILL.

No 1044
Revenue (Cy) Dept

From
G. Thornhill Esq^r
First Member
Board of Rev^e

To
Ag: Secy to Govt
Rev: Dept

Dated } 20th March 1874
Recd } 30th " "

Encls 1 statement &
2 Maps.

G O No 1333 - 16 October 1874

Kanches or Grazing
farms of N. Arcot District
Forest reserves and avoidance
of New Settlements - Rules
called for by Govt & Rec^d
& submitted.

G O No 1333 - 16 Oct 1874

1857

17 17

REVENUE DEPARTMENT.

MINUTE BY THE HON. J. D. SIM, C.S.I.

THE course proposed to be followed is in strict accordance with the principles of assessment. "Wet" land is land irrigated at the expense of the State; "dry" land is land not so irrigated. The former is assessed more highly than the latter, inasmuch as Government incurs the expense of irrigation; *per contra*, it has the advantage of bearing more valuable and certain crops and of receiving remissions when they fail from want of water, the compact between Government and the ryot being that water is supplied. "Dry" land, on the other hand, has a lighter assessment, because Government does not provide water, and it does not receive remissions for ordinary failure of crops, because the assessment is regulated on the average crop of several years, which, of course, are influenced by ordinary vicissitudes of season. In years of real drought, the Government of necessity give remissions to dry as well as wet, as we are now doing in Tinnevelly. Some "dry" lands, as the "manavary" of Chingleput, are well watered naturally, others are irrigated from private wells and tanks, but neither are "wet" in our technical sense. I see no reason why these lands in Ganjam should not be treated in accordance with this principle, one result of which will be that the owners may supplement their natural supply of water [illegible] which they have no inducement to do while the lands are rated as "wet."

2. Mr. Thornhill is wrong in supposing, however, that this will necessarily lead to "dry" crops being substituted for "wet." In the majority of cases the owners will probably continue to grow wet crops, because, on the whole, these are most valuable; they will take their chances of a bad season as they now do. Some few may prefer the certainty of less to the precariousness of more valuable crops; but the assessment will be regulated by sound principles, and the ryots will be free to act as they think best for themselves. I do not see how the State can charge for water when it does supply any, nor how we can equitably assess the existing cultivation as "wet," but future extensions of it as "dry."

J. D. SIM.

31*st March* 1874.

Proof

16

No. 15[illegible].

Note by the Hon. J. D. SIM, C.S.I.

Mr. [illegible]'s report and the Board's Proceedings must, of course, be sent Home. They seem to me to furnish all the information required by the Secretary of State and to remove all doubt as to the accuracy of the settlement.

(Signed) J. D. SIM.

No. 162. MINUTE BY THE HON. W. ROBINSON, C.S.I.

THERE is no doubt that the revision of the Settlement in the Principal Divisions of Nellore has in a large number of cases told with severity on landholders. It is true that a large area of land had come down to us exceptionally lightly assessed; that land under somewhat similar circumstances is more heavily burdened in parts of such heavily-assessed districts as Cuddapah, Kurnool, Coimbatore, etc.; and that the demand on large areas of outlying dry land in this district has been reduced under the new Settlements.

2. It is true that the principles on which the reassessment is going on in the Presidency have not on the average been transgressed, and that an intricate calculation goes to show that the so called net-half of the average annual outturn has not on the whole been exceeded; that on the average the settlement of the district in general is equitable and defensible. But the fact still remains that in the case of a large number of holdings over important and peopled tracts the demand has been very largely enhanced—in some parts doubled and more; and that extensive relinquishments—temporary and permanent—have occurred. I have heard of cases where the land could not be sublet at anything like the new assessment.

3. It is of course a very serious matter under any circumstances suddenly to double a peasant-proprietor's land-tax or make the retention of any part of his hereditary holding no longer possible, or simply to annihilate any capital laid out on land and invested savings when, as is largely the case, the land has changed hands at high and advancing rates. Circumstances of this kind shake confidence and preclude the possibility of a settlement being accepted or justifiable in the eyes of the people, and more especially of the sufferers.

4. I think that in this respect the settlement has been somewhat defective in parts and has given an impetus to a growing conviction—be it reasonable or otherwise—amongst educated and influential agricultural classes, that the spirit and object of the Settlement operations has changed for the worse as respects the demand against the people.

5. I am strongly in favor of the system of raising the means of meeting important public objects—such as local Services, Communications, Sanitation, Education, etc.—by local rates, to be expended under local supervision, and I attribute much of the advancement in the prosperity and development of the country which has followed the administration of the last ten years to this policy, and I am satisfied may still be cautiously and safely extended for these and other beneficial ends. But I fear that we do not sufficiently bear in mind that when adding to the State burdens on the land, we are practically enhancing taxation with both hands. An increased revenue demand brings with it a proportionate increase in the land cesses, and makes the first operation (possibly reasonable enough in itself) a double burden. A fixed Imperial land-tax with cautiously advancing cesses to meet the increasing wants of society would be the remedy.

29th April 1874. (Signed) W. ROBINSON.

Proof in red ink

29

No. 183. MINUTE BY HIS EXCELLENCY THE GOVERNOR.

MR. BANBURY's letter of the 24th October 1873 furnishes all the information required by the Secretary of State, and it seems also to show that the statements respecting this Settlement, noticed in paragraph 2 of the Secretary of State's despatch as being those of the Board of Revenue—but which in fact were (except the first) those of the Government—were scarcely warranted by the facts of the case.

2. When all is said, the fact remains (as shown by Mr. Robinson) that a most serious increase of assessment has been imposed upon a considerable portion of the land included in this Settlement, and that though this increase has been arrived at in accordance with the rules laid down, and may have raised the assessment in these lands to an amount no higher than that borne by similar lands in other districts, I do not think that such a large enhancement of payments recognised by long prescription should be allowed. I do not see among the papers any table showing the percentage of increase in those lands upon which (paragraph 2) Mr. Banbury says that the increase chiefly falls. I would ask for such a table, and would then reduce considerably (say by one-half) the additional percentage so proposed, and introduce the rates so reduced gradually in the course of four or five years.

3. I consider the recent descent of "cesses" upon the people to have been very calamitous to them. I doubt much the policy of this change from Imperial to Local taxation, or rather this thinly disguised and serious addition to the ~~overall~~ taxation of the country; but (in any case) I would go as far as we are able in restricting the rates of assessment, as a set-off against these severely-felt burdens.

6th *May* 1874. (Signed) HOBART.

Govt

7/7

60. Lt 1933 8.16 Oct 1874

Revised Proof

No. 184. MINUTE BY THE HON. J. D. SIM, C.S.I.

THE explanation of the Director of Revenue Settlement and the Board's review of it will, I trust, remove all anxiety on the part of the Home Government as to the revision of the assessment of the Nellore District.

2. On again reading the order of Government, dated 6th March 1873, No. 267, I must confess that several portions of it were only too well calculated to excite the doubts and misgivings to which the Secretary of State has given expression in his despatch.

3. The proper test of a settlement is that pointed out by the Secretary of State,—that it shall take "not more than one-half of the net produce of the soil." It is, I think, sufficiently certain, from the papers before us, that the Nellore assessment fulfils this essential condition; and we have the additional satisfaction of knowing that the various processes leading to this final result of the "half-net and no more" have been most carefully and faithfully worked out by an officer (Mr. Rundall) of exceptional ability and local knowledge.

4. I do not hesitate, therefore, to advocate its acceptance in its integrity.

5. Such enhancements of the demand in particular instances as Mr. Robinson notices are inseparable from a revision of assessment which has for its object the determination of a fair assessment and its equal imposition on all alike. In the Nellore District the cases of unduly low assessments are abnormally numerous, owing to the frequent changes in the assessment effected by different officers on different principles and the absence of any survey. It is, in fact, well known that the classification has been fraudulently altered by collusion with the village-officers to a very great extent in this district. Large per-centage reductions were also made, which, in the absence of any survey or settlement, often fell on lands not entitled to or requiring relief. We cannot afford to bring the assessment of the district generally down to the level of that paid by the lucky few, who, for no reason that they can give or we discover, are paying but a fraction of what they ought to pay, and it would obviously be unjust to the many to continue thus to favor the few. A good deal of the proposed enhancement is due to lands classed as "dry" being now classed as "wet."

6. His Lordship's proposal to take but a moiety of the additional assessment payable now would, I submit, be fatal to one great object of the settlement, viz., the equal incidence of the land-tax; and the complications, anomalities, and inequalities it would introduce would be very great; nor, as I view the matter, would it be just either to the favored few or to the many on whom the full burden of the land-tax falls. Any such concession to the former can have no other basis than their long tenure on their present low rates of assessment, and this would militate against an enhancement of 50 per cent. just as much as against an enhancement of 100 per cent.; while as regards the ryots generally we are not, as I think, justified in continuing special concessions and advantages founded on no right or title. Every case in which the increase is material, or the person affected challenges it, will form the subject of careful inquiry when the settlement is being introduced, and the assessment will be finally determined by the result of such investigation and fixed at the half net, the increase when large being levied by annual increments as is now done in the Kistna District, where the enhancements were greater and more numerous. The cases to which Mr. Robinson specially alludes will be thus dealt with.

7. As regards the "cesses," I would explain that the new assessments now being introduced are merely a settlement of the land-revenue, *i.e.*, of the share of the produce of the soil to which, in this country, the governing power is entitled by immemorial custom. When the present rate,—the half-net,—was fixed upon, it was believed that it was sufficiently favorable to admit of the people paying special taxes or cesses for objects of local interest as distinguished from objects of Imperial interest, to which last the revenue proper is applied. The road cess has now been in force since 1864, and its abolition would be a very great misfortune. It is paid willingly and easily, and for no payment that he makes does the ryot receive so good a return. Its maximum amount is 6¼ per cent. on the assessment: two-thirds are devoted to communications and one-third to education and sanitation. The only other cess the Village Service Cess is essentially a commutation of fees paid or payable by prescriptive usage to village servants, and has not yet been imposed in this district.

8. We cannot consistently with the principles laid down for our guidance make any abatement of Imperial land-revenue on account of these cesses, and it would be useless to seek permission to do so; for the Supreme Government has given us all that it can spare in its Provincial Grants. The cesses are not, in my opinion, heavy, and they are absolutely necessary.

(Signed) J. D. SIM.

19th May 1874.

Proof

No. — MINUTE BY THE HON. J. D. SIM, C.S.I.,

MR. THORNHILL's report should, I think, remove all doubts and anxieties regarding the revised assessment of the Nellore District. The only alteration he suggests is that the enhancement proposed by Mr. Banbury and accepted by Mr. Rundall of the assessment of certain wet lands in the 1st-class villages of the Nellore and Gudur Taluqs should be renounced. The enhancements aggregate Rs. 18,867. The reasons assigned by Mr. Thornhill seem to me untenable, unless we are to depart from the principles of the new assessment. He does not assert that the rates exceed half the net. His main argument is that the agriculture of the delta is slovenly, and the grain-valuations may, therefore, be too high. Slovenly culture and low rents usually go together, and though I do not go the length of advocating high rents in order to compel high farming, I do not think we should adopt the opposite policy and induce or perpetuate bad farming by purposely lowering the assessment. The grain-values are taken from crops as grown under the ordinary tillage of the district, and not as they might be under a superior system of agriculture. The villages here concerned are of superior quality, and their irrigation is excellent; and the Government have incurred considerable expense in improving and extending the latter. The highest rate is 11 Rs. per acre, but throughout the principal division only 118 acres are charged at that rate; the next is 10 Rupees, but this class comprises only 225 acres. It is not until we reach Rs. 7 that any extent worthy of notice occurs, and the bulk of the land ranges between that and 4 Rs. I see no reason, therefore, to accept Mr. Thornhill's proposal.

2. The enhancements where heavy should certainly be imposed gradually with due consideration. This, I think, is the proper remedy where material enhancements result from the new assessment, and no reason appears for doubting the correctness of the latter. I deprecate departure from the principles of the new assessment on any ground, save that half the net is too much, which is nowhere alleged. There will be some difficulty in carrying out Mr. Thornhill's scale in the many cases where fractions of an acre are held; but I conclude he has discussed this with the Collector. Of course, where lands revert to Government by sale or otherwise the new assessment will be at once imposed. The scale seems to me somewhat indulgent. Twenty years is a long time over which to spread the highest rate of enhancement.

17th June 1874. (Signed) J. D. SIM.

G.O. No. 1333 of 16th October 1874

Proof

No. 187. MINUTE BY THE HON. W. ROBINSON, C.S.I.

THE paragraphs of Mr. Thornhill's report which relate to the new assessment ~~remarked on by the Secretary of State~~ should be printed separately and submitted with the papers to the Home Government.

2. The report establishes the fact that the new settlement carries a serious enhancement of the public demand against a considerable tract of country and in individual cases increases ~~a burden~~, which must entirely alter the conditions of property, and make a rich owner comparatively a poor one. The history of the low assessment which have hitherto obtained is accurately given, and the fidelity of the revision by which the demand is brought up to the "net-half" cannot, it appears, be impugned. The settlement must, therefore, stand as a whole, although I cannot accept the hard and fast line on which my Honorable Colleague Mr. Sim insists ~~and~~ I am satisfied that one of the reasons why the settlements of other districts have met with less local unpopularity than attaches to this settlement is because the settling officer has weighed other facts besides those which appear in the columns of the settlement record, and has avoided extraordinary enhancements. ~~Mr. Rundall is a good but hard officer.~~

3. As regards the remedies to be applied, I would accept both of those proposed by Mr. Thornhill apparently in communication with the district officers and Mr. Rundall. The people are, I think, entitled, under the peculiarly strict manner in which this settlement has arrived at, to the doubt raised by a difference of opinion between the settlement officer and the Director (although the former accepted the conclusion of his superior) ~~and~~ I would revert to the rates first fixed by Mr. Rundall, for I think that Mr. Thornhill has given sound reasons for the recommendation—in the fact that Mr. Banbury's enhancements fall on lands whose assessment has already been heavily raised. I do not attach much importance to the argument based on the inferior character of the agriculture; ~~at the same time~~ I should ~~not~~ expect that a better style of tillage would be encouraged by largely enhanced taxation. ~~This scarcely so in Ireland.~~

4. I would accept Mr. Thornhill's scale of gradual enhancement, and allow the discretion which he asks for the local officers.

5. I entirely agree with my Honorable Colleague Mr. Sim's views (Minute, dated 19th May) both as to the sound policy and moderate incidence of the cesses imposed for local and highly beneficial purposes, and should look to the cautious development of this policy for the material and intellectual progress of the country. But I admit that I should welcome a measure that would limit and make permanent the Imperial demand on permanently cultivated holdings.

7th July 1874. (Signed) W. ROBINSON.

6.6 No. 1333 & 16 Oct. 1874

Proof corrected

No. 188 MINUTE BY HIS EXCELLENCY THE GOVERNOR.

We are now in a position to reply to the Secretary of State's despatch respecting this settlement; and Mr Banbury's letter of October 1873 (with the Proceedings of the Board of Revenue upon it) as well as extracts from the report now before us from Mr. Thornhill, in so far as it relates to this subject, should accompany our reply.

2. Mr. Thornhill confirms the opinion which I expressed in my Minute of 6th May 1873 upon this settlement. As regards a very considerable portion of the land assessed, the increase upon former payments is on an average 60 per cent; in some villages it exceeds 100 per cent; and in rare instances it is of more than 300 per cent. It is evident, also, from Mr. Thornhill's statements that it would be no exaggeration to describe the popular feeling on the subject of these new rates as one of astonishment and dismay. I cannot think that it was ever intended by those who initiated and have from time to time prescribed rules for the conduct of the survey and settlement in this Presidency that the rules which they prescribed should result in arrangements so disastrous as this to any portion of the people. It is reasonable to suppose that the theoretical equity believed to be involved in such operations as "classification of soils, twenty years' commutation, or half the net profits" was never meant to supersede the consideration that the welfare of the cultivators should be one paramount object of our Government; and that it is impossible to bear in mind that welfare and at the same time suddenly to discover that they must henceforth pay double the amount which they have been in the habit for a long series of years of contributing to the revenue. There can be no doubt, indeed, that the survey and settlement of Madras was begun not with the intention of increasing but of diminishing the payments of cultivators upon whom the low prices of that time had taken effect with extreme severity. The doctrine has since been more or less accepted,—a doctrine which is, however, of modern growth and repugnant to the most cherished traditions of popular feeling,—that the State may fairly claim its share in the advancing agricultural prosperity of the country, and that the ryot has, therefore, no right to anything like permanency in the condition of his tenure. But notwithstanding this, it is satisfactory to find that the Home Government has (of late years at least) never ceased to watch jealously the application of its own rules, and shown a disposition to prevent any such action upon them as would enhance beyond a very small per-centage the demands upon the agricultural population. And this the more, because of the "cesses" which in themselves, enhancing the demand upon the cultivators by some 12 per cent., have seriously affected for the worse the condition of the people. I cannot agree with my Honorable Colleagues in their estimate of these "cesses." In the first place, I think that their imposition is of very doubtful equity, considering the terms on which our ryots had been led to believe that their land was held; In the next, I think that no theory more disastrous to the interests of the poorer and most numerous class of cultivators has ever arisen than that, if we wish to improve their physical and moral condition, we must impose upon them, in addition to what they have hitherto contributed to the State, this novel burden of local taxation. Nothing (as I believe) has tended more to shake the faith of the natives of this country in the justice and beneficence of our rule than this sudden accumulation upon them of taxes all the more formidable because unknown and unimagined before, and on which it is very difficult to persuade them that a Government, which not only imposed such taxes but justifies them on the ground that they are "for the benefit of the people themselves," will ever [illegible] remit. I submit it may at all events very safely be said that these "cesses" should be a powerful reason for carefully restricting our new assessments.

3. I do not think that Mr. Thornhill's proposals, though in the right direction, sufficiently meet the case. I consider that, if only for the sake of precedent and as regards the general effect to be produced upon the popular mind, a more decided measure is required. I would allow no increase in assessment of more than 20 or at most 30 per cent; and this increase I would spread over several years, leaving, however, considerable discretion to the Collector in regard to the application of the order to individual cases.

(Signed) HOBART.

11th July 1874.

60. № 1533 & 16 October 1876.

Proof

24

No. 189. MINUTE BY THE HON. J. D. SIM, C.S.I.

I HAVE again read Mr. Thornhill's report, but cannot put the same construction on it as my Honorable Colleagues do. He says (paragraph 71) that he fully believes "that the settlement has been framed with great accuracy, and that, so far as it is at all possible, the burdens on the land have been equitably and fairly distributed;" and he adds emphatically (paragraph 72): "I would not recommend that one figure of Mr. Rundall's settlement should be altered." The district officers (paragraph 59) testified similarly to the admirable manner in which the settlement had been conducted, and the objections of the ryots are shown (paragraph 60—64) to be untenable. I cannot call to mind any settlement which has been so generally and fully approved. Mr. Thornhill's only suggestions are that a sum of Rs. 18,867 added by Mr. Banbury to the assessment of some lands in the delta should be remitted and that all material increase of assessment should be gradually imposed, which was always intended. The lands which Mr. Banbury proposed to assess somewhat higher than Mr. Rundall originally intended are among the most fertile, best irrigated, and most valuable in the district; and I really cannot see that any valid reason is assigned for the remission; but however this may be, the fact that this is the only change Mr. Thornhill has to suggest shows with what care and fidelity the settlement has been carried out. Mr. Rundall himself acquiesced in the enhancement proposed by Mr. Banbury.

2. It certainly is the case that when the new survey and settlement were originated it was anticipated that reduction of assessment would be the general result, because prices were very low; but so far as I am aware it was never intended that the State should give up any increase while it should also lose by any decrease that might result. The half-net was determined on as the proper share of the State which accepted any gain or loss that might ensue. If we can now show that half of the net produce is more than the ryot can pay or the State should take, I have no doubt that the Home Government will readily reduce it; but I am at a loss to understand how we can assert this, nor do I see how we can propose that,—whatever the increased assessment properly payable may be,—no enhancement exceeding 20 or 30 per cent. is ever to be made. Such a proposal seems to me opposed to the fundamental principle of the new assessment. If, where land is proved to be over-assessed, the Government is bound to reduce the assessment, it seems to me to follow that where the assessment is proved to be too low the Government is entitled to raise it. The result of the revised assessment is not universal increase: some lands are relieved, while others have their assessment enhanced; and the consequence of limiting enhancements while reductions are continued in full force will be to render revisions of assessment a serious financial loss. The order passed last year, when drought was apprehended, forbidding enhancements consequent on the new settlement, entailed a reduction of Rs. 2,40,000 on the existing settlement. Then, again, if we adopt this principle in Nellore, we must apply it also to districts already settled. For instance, in the Kistna District adjoining Nellore the assessment was raised from five to eight lakhs, the individual enhancements rising in some rare cases to 500 per cent. If 30 per cent. be the limit of enhancement in Nellore, we must, in equity, adopt the same limit to the Kistna, and do the same in the other districts already settled. I have already said that it was originally expected that owing to low price the new assessments would be lower than those then existing, and this would probably have been the case had the Government left the existing assessments as they were; but in anticipation of the new settlements per-centage reductions, characterised perhaps by more of liberality than of discrimination, and aggregating some four lakhs yearly, were immediately sanctioned, and hence what really would often have been reductions now appear as enhancements. Moreover, prices have since risen in a great and unexpected degree and a certain portion of the enhancements is due to the circumstance of land heretofore classed as "dry" being now classed as "wet" owing to the improvement and extension of the means of irrigation. I am quite satisfied that the assessment proposed by Mr. Banbury for Nellore is fair and well within the means of the people, and that it fully meets the instructions laid down for our guidance; and I, therefore, deprecate any modification of it beyond the gradual imposition of the new rates where they materially exceed the old rates.

3. I have nothing to add about the cesses. The only cess at present in force is the land-cess, which I am confident the people can easily pay, and for which they receive an ample equivalent.

I am very averse to unnecessary taxation; but I think that we are bound to govern India according to our superior knowledge and not according to the ideas of our ignorant inhabitants,

G. O. No. 1333 dy 16 October 1874.

and to do this we must raise such funds as may be requisite in the easiest manner. We stand to the country *in loco parentis* and must act accordingly.

(Signed) J. D. SIM.

The district, I may add, has gained by the abolition of the pullary tax on cattle as well as the moturpha. Our returns show that while [illegible] acres occupied in fasli 1263 (A.D. 1853-54) bore an assessment of [illegible] Rs., thrice the area occupied in fasli 1283 (A.D. 1873-74), was assessed at only [illegible] Rs.

were

14.50.000

412.000 acres

911.000 acres

17.50.000. Rupees - then they

the area has more than

doubled, the addition to

the assessment is less than

one third! This is

J. D. Sim

Private

Please add the original P.S. as altered & added to mine, to leave 2 over leaf. at ——

Sd

+ Mar Essa Dekkas
Walahapitiya.

With reference to H. E. the Governor's minute on P 3768 a Comparative Statement has been obtained from the Director of Revenue Settlement shewing the extent & assessment of Dry and wet lands in the Ancient villages of the Kelaniya District.

According to the settlement already sanctioned there is a decrease of 13 per cent in the Dry & an increase of 163 per cent in the Wet. (Assessment) The average per acre on the former is Rs 1-0-0 on the latter Rs 0-15-8 on the latter Rs 6-6-4

If however the modification proposed

No 182 Minute by Sir Thomas M. Robinson, C.S.

There is no doubt that the provision of the settlement in the Principal Division of Bellore has in a large number of cases told with severity on landholders. It is true that a large area of land has been down here exceptionally lightly assessed, and that land under somewhat similar circumstances is more heavily burdened in parts of such heavily assessed districts as Cuddapah, Kurnool, Combatore, and that the demand on large areas of strictly dry land in this District has

by Mr Thornhill in a separate paper herewith circulated is agreed to there the amount entered in Column 7 viz. that proposed originally by Mr Randall or Rs 2,62,149 instead of Rs 2,81,019 would be collected (an amount 56 per cent in excess of the original demand for these wet lands which pay on an average Rs 5-13-6 instead of Rs 4-2-3 heretofore charged upon them.

C. J. M.

has been reduced. It is true that the principles on which the reassessment is going on in the Presidency have not on the average been transgressed and that an intricate calculation goes to show that the so-called net half of the annual outturn has not on the whole been exceeded; also that on the average the settlement of the British in general is equitable and defensible. But the fact still remains that in the case of a large number of holdings our important and peopled tracts the demand has been very largely enhanced - in some parts doubled

and more, and that [illegible] - temporary & permanent have occurred. I have heard of cases where the land could not be sublet at anything like the new assessment, and that Natural is discontentment prevails in parts.

This of course a very serious matter under any circumstances to suddenly & double a peasant-proprietor's land tax or make the retention of any part of his hereditary holding no longer possible or simply to annihilate any capital on land laid out, and invested savings when, as is largely the case, the land has changed hands at high

help and advancing
Rate-Circumstances
State confidence and
of this kind preclude
the possibility of a
settlement being
accepted or profitable
in the eyes of the people
and more especially
of the sufferers. I think
that in this respect
the settlement has been
somewhat in parts
defective and has
given an impetus to
a growing conviction
that reasonable or
otherwise - amongst
Educated and influential
Agricultural
Classes, that the spirit
and object of the
settlement operations
has changed for the
worse as respects
the demand against the
people.

I am strongly in
favor of the system
of

of raising the means
of meeting important
public objects such
as local services
Communications, Sanitation
Education &c &c by fixed
rates, to be expended
under local supervision
and I attribute much
of the advancement in
the prosperity and
development of the County
which has followed
the administration
of the Act 10 & 11 Vict. c. 98 and Comm. Inclosure Acts
this policy. [illegible] may
I think be cautiously and
safely extended. But
I fear that we do not
sufficiently bear in
mind that when
adding to the taxation
on land, we are
practically embarrassing
Capital with both hands

further and other beneficial ends

an increased Revenue demand brings with it a proportionate increase in the Land Cesses and makes the first operation (possibly reasonable enough in itself) a double burden. A fixed Imperial land-tax with advancing Cesses would meet the increasing wants of Society would be the remedy.

29th Oct. 1873

No 783 Minute by His Excellency

Mr Barbour's letter of 24th Oct. 1873, furnishes all the information required by the Secy. of State: and it seems also to show that the Settlement, especially this settlement referred in para 2 of the S. of State's

Deducted as being those of the Dt. of Revenue - but which in fact were (except the first) those of the first - and recorded after the fact.

When all is said, the fact remains (as shewn by Mr Barbour) that no serious increase of expense has been incurred upon a considerable part of the land included in this settlement - & that many of the increased ... have been already provided

The record of our orders of which the Secy of State will find the notes at page [illegible] with the papers

in accordance with the rules laid down & may have raised the assessment in their land to a much greater sum than that borne by similar lands in other districts — I do not think that such a large increase of payments recquired by any provision should be allowed. I do not see among the papers any table showing the per-centage of increase on these lands upon which (para 2) the Bombay says that the increase chiefly falls. I would ask for such a table, & consider these values should accordingly

(say by one half) the additional percentages so proposed: and interdum that they are gradually to be raised to the extent of 4 or 5 years.

I consider the assessment of exports upon the people to have been very calamitous to them: I doubt much the policy of this charge for Imperial & local Taxation: but (in my case) I would go as far as we are able in restricting the values of assessment as a set off against these serious [illegible]

Distributed [illegible] Mr Caine [illegible] of the Counties

Minute by the
Hon'ble Mr Robinson CSI
d/ 29 April 1874.

and

Minute by His Excellency
the Governor 6 May 1874.

182

182-183.

G.O No 1333 & 16 Oct. 1874

33

No 184 Minute by the Hon'ble Mr Robinson CSI

The Explanation of the Dr of Red Settlement and the Hostile Feeling of it with. I trust, create the anxiety on the part of the Government as to the revision of the Assessment of the Kallara District

On my once reading the order of Govt No 6 March 73. I. 267. I must confess that several portions of it were only to well calculated to excite the Hill & Wild feelings to which the Govt

of State has prescribed in his Despatch.

The broken text of a Letter is that sent by the Secy of State - that it shall take "last more than one half of the net burden of the soil". It is I think, sufficiently certain from the broken letter that the Yellow assessment fulfils the 2 essential conditions - and the additional factor of knowing that at the various places leading to this final

182-183.

G.O. No. 1333 & 16th Oct. 1874

result of the "half-net" has more "been most carefully & faithfully worked out by an officer (Mr Knowles) of exceptional ability & knowledge.

I do not hesitate therefore to advocate its acceptance in its integrity -

Such enhancements of the demand in particular instances as Mr Robinson notices

are inseparable from a
revision of assessment. which
however its object the determina-
tion of a fair assessment & its
equal imposition on all alike.
In the Kellne District the
cases of unduly low assessments
are abnormally numerous. owing
to the frequent changes in the
assessment effected by dif
ferent Africans in different Divi-
-ciples - and the absence of
any survey. It is not possible

1874-183.

G.O. No. 1333 & 16th Oct. 1874

known that the classification has
been frequently altered by
collusion with the Village Africans
for a long past Extent in this
District - We cannot attempt to
bring the assessment of the District
generally down to the level of
that paid by the lucky few
who for the reason that they can
pay or the Divisions are keeping
but a fraction of what they ought
to keep - and it would directly
be unjust to the many to con-
tinue them to favour the few.

this Tenth Section to take
out a moiety of the additional as-
sessment by the Commissioners
to be levied, be fatal to the main
object of the Settlement viz the equal
incidence of the land tax. &
the complications, anomalies
& inequalities it would introduce
would be very great. How, as I view
the matter, would it be just to tax
to the proposed fourth or the tenancy on
whom the full burden of the land
tax will fall. Any such concession to
the former can have no other basis
than that long tenure on their part

182-183.

G.O No. 1333 of 16th Oct. 1874

36

Low rates of assessment
and this would militate against
an Enhancement of 50 % just
as much as against an En-
hancement of 100 %. - while as
regards the Ryots generally we are
not, as I think, just in
in Contemplating a Special Concession to and
Quantagers from Land on the right
or title. In Every case in which the
increase is material - or the
Tenure a Hereditary one will form the subject of

3/

careful enquiry when the
settlement is being intro-
-duced - and the assessment
will be finally determined
by the result of such in-
vestigation - and fixed at
the half net - the increase
when large being limited by
some rule in increments as
in Oudh in the Kistna Dis-
trict where the ~~increase~~ Enhance-
ment were fixed & were permis-

182-183.

G.O. No. 1333 dy 16th Oct. 1874

The cases to which last Order can
specially allude will be those
dealt with.

As regards the "cases" I
would explain that the ~~[illegible]~~ Enhancements assessments are mainly in the Oudh and Agra Provinces.
ment of the land Revenue.
i.e. of the share of the produce
of the Soil to which in those
Countries the Government
~~[illegible]~~ is entitled by usage.

mercantile traditions. when the present rate - the half net. was fixed upon. it was believed that at the it was sufficiently favorable to admit of the public paying special taxes & calls for objects of local interest as distinguished from objects of Imperial interest, but since the Revenue from them is deficient. The Road Cess has been in force since 1864. and

its Establishment would be a very great misfortune - It is said willingly by L Early L for the Company must first be made does the right to receive to fix a valuation - At maximum assessment is 6/4 per cent - on the actual settlement - two thirds is deducted to Communications and 1/3 to Education & Sanitation. The only other cess the Village

182-183.

G.O No. 1333 & 16th Oct. 1874

Service Cess is essentially
a commutation of feudal bondage
or bondage by hereditary usage.
to Village Servants.

We cannot consistently
with the Principles laid down
for our guidance make any
abatement of the Land
Revenue on account of these
Cesses - and it would be useless
to call the Commissioners together
for the Subordinate portions

182-183.

G.O. No. 1333 dy 16th Oct. 1874

39 14

as all that it can claim
is its Provincial portion. The
Cesses are not in any sense
Imperial - and they are absolutely
necessary -

J. D. Sim 19. 5. 74

Minute by the Hon'ble
Mr Sinnatt. C.S.I

19 May 1874.

RD

16/10/74

180/190

184

G.O. No. 1333 & 16th October 1874

182-183.

G.O No. 1333 & 16th Oct. 1874

180

Minute

Recorded Lib. C&D p. 17 June 1874

Mr. Thornhill's report should, I think, remove all doubts and anxieties regarding the revised assessment of the Nellore District. The only alteration he suggests is that the enhancement proposed by Mr Bambridge and accepted by Mr Rundall of the assessment of certain wet lands in the 1st Class Villages of the Nellore and Goodoor Talooks should be renounced. The enhancements aggregate Rs 18,805. The reasons assigned by Mr Thornhill seem to me unanswerable, unless we are to depart from the principles of the new assessment. He does

does not appear that the rates exceed half the net - His main argument is that the agriculture of the Delta is slovenly - and the grain valuations may therefore be too high. Slovenly culture and low rents usually go together and though I do not go the length of advocating high rents in order to compel high farming I do not think we should adopt the opposite policy and induce or perpetuate bad farming by unjustly lowering the assessment. The grain values are taken from crops as grown under the ordinary tillage

of the District and not as they might be under a superior system of agriculture. The Villages here concerned are of superior quality and their irrigation is excellent, and they have incurred considerable expense in improving and extending the latter. The highest rate is 11 Rupees per acre but throughout the Principal Division only 118 acres are charged at that rate - the next is 10 Rupees, but this class comprises only 225 acres. It is not until we reach Rs 7 that any extent worthy of notice occurs - and the bulk of the land ranges between that and 4 Rs.

I

I see no reason therefore to accept Mr Thornhill's proposal.

The enhancements where heavy should certainly be imposed gradually with due consideration - This, I think, is the proper remedy where ~~material~~ enhancements result from the new apportionment, and no reason appears for doubting the correctness of the latter - I deprecate departure from the principles of the new apportionment - or any ~~[illegible]~~ save that in the net it too much, which is no

where

where alleged - There will be some difficulty in carrying out Mr Thornhill's scale in the many cases - where fractions of an acre are held, but I conclude he has discussed this with the Collector - ~~[illegible]~~ Of course where land is sent to Govt by sale or otherwise the new apportionment will be at once imposed - The scale seems to me somewhat indulgent - 20 years is a long time ~~[illegible]~~ over which to spread the highest rate of enhancement.

J. O. Miller

17. 6. 74

Minute by the
Noble Mr Sim CSI
17 June 1874

R D

16/10/74

180/190

186

G.O. Nº 1333 dº 16th Octr 1874

Nº 187. Minute by

The Views of
Mr Thornhill's Report
which relate to the next
Assessment remarked
on by the Secretary of State
should be printed as
Separately & submitted
with the Papers to the
Home Government.

The Report establishes
the fact that the next
Settlement carries a
Serious Enhancement
of the public demand,
against a considerable
tract of Country - and
in individual cases
increased burdens

which must extend
alter the conditions of
property and make as
rich owner comparatively
a poor one. The history
of the low assessment
which have hitherto
obtained is owing
given and the fidelity
of the revision by which
the demand is brought
up to the "net half" cannot
it appears the unpaid.
The settlement must
therefore stand as
although I cannot assent
the hard & fast line on
which my Honorable Colleague
Mr Lein insists and I
am satisfied that one
of the reasons why the
settlements of other districts
have met with the less
local unpopularity than

Markes Blue Settlement
is because the Settling Officer
has weighed other facts
besides those which appear
in the Columns of the
Settlement Record, and
has avoided Extraordinary
Enhancement - Mr Rundall
is a good Settlement Land Officer -
In regards the remedies
to be applied, I would accept
both of those proposed by
Mr Thornhill apparently
in Communication with
the District officers and
Mr Rundall - The people
are I think entitled under
the peculiar Hindu manner
in which this Settlement
has arrived at - to the
doubt raised by a difference
of opinion between the
Settlement Officer and
the Director (although
the former accepted the
Conclusion of his Superior)
and I would revert
to

to the rates first fixed by Mr Randell for I think that Mr Thorold has given sound reasons for the recommendation in the fact that in Mr Bunbury's Enhancement falls on lands where assessment has already been heavily raised - I do not attach much importance to the argument based on the inferior character of the Agriculture at the same time I think we should expect that a better style of tillage would be encouraged by a largely Enhanced taxation - It is feared so in Ireland

I would accept Mr Thorold's scale of Graduated Enhancement and allow the discretion which he asks for the Local Authority - I

We Central agree with my Honorable Colleague Mr Lino's views (Minute of 19th May) both as to the sound policy & moderate incidence of the taxes imposed for local & highly beneficial purposes and should look to the cautious development of this policy for the material & intellectual progress of the country But I admit that I should welcome a measure that would limit & make permanent the Imperial demand on permanently cultivated holdings

7/7/74 J Robinson

Minute by the
Hon'ble H. Robinson Esq
7th July 1871.

R.D.
15/10/74
150/190

187

G.O. No. 1733 dt 16th Octr 1874

Send the papers relating
to the Kellon Settlement in
Encl. Separately for the
Kellon Cuncha Question
with which Khan no concern
- on exam. Not of being clear
- ly treated in the
papers. 7/7 HR

29.

46

46

25. Minute by the Secretary to Govt

We are now in a position to reply
to the letter of Govt dated 7th
Nov. Settlement: and Mr Barbey's
letter of 6th Oct. 73 on the Proceedings
of the Board of Revenue upon it; as
well as Estimate from the Resd.
Engineer in Sind for the Khombat &
so far as it relates to this subject,
should accompany our reply.
The Khombat embraces the
question which is expected in the
Estimate of 6 Nov. 73 ~~suggested~~ this

settlement. Mr Lodwick's proposal
on 20th January was as regards
a very considerable portion of the
land objected, the utmost upset
price suggested in an account
60 p.c. in some instances
exceeds 100 p.c. and in
two instances the sum of more
than 300 per cent. It is evident
also from Mr Monteith's statement,
& would be unnecessary to observe
that the fact of the
the subject of these two votes on one of

extraordinary and disproportionate kind. I cannot think Government could with propriety entertain any proposal to sell land for less than its true pecuniary value, or to conduct the sales in any manner which should result in alienating the property of the people. It is manifestly the duty of the Executive Government to obtain the highest

such operations as
'depopulation of roots - consumption
'twenty years accumulation; - and
'half the net-profit' was now meant
to supersede the accidentals to
the welfare of the cultivators should
be one paramount object of our
Indian government and that it is
impossible to secure and
welfare and at the same time
suddenly to discover that they
must keep up the pay double the
amount which they have taken
been in the habit for a long series
of years of entailing of the revenue,

There can be no doubt indeed that the
Survey Settlement of Madras was
begun, and with the intention of
increasing, but not of diminishing, the
payments of the cultivators, when
when the best fruits of that time
had taken effect with returning
prosperity. The doctrine has since
been more or less rejected, but the
which is however a doctrine of modern growth and
represent to the despot not
our ancient traditions of Hindoo
Polity - that the state may fairly
claim its place as the paramount

49

agricultural prospects of the
country, and that the Report has
therefore no reference whatever
to the conditions of her Tenure.
But notwithstanding this, I am
satisfied that the Irish
Poor Law (that great measure)
never could be made palatable
to the Population of this Country,
and there is a Jurisdiction to prevent
any such action upon them as was
would embarrass beyond a doubt

per-centage the demands upon
the agricultural population. And that
the more, because of the expectation
in themselves exchanging the demand
upon the collections, by more 2/per
cent, have seriously affected for
the worse the condition of the people.
I cannot agree with you. Although
in both its limits of these Expenses: In
the first place, I think that by one
time imposition of our landed
Equity, considering the taxes on
which the Estate had been laid &

upon them of taxes which all the
more formidable because unexpected and before - [illegible]
and to which it is very difficult to
persuade them but if [illegible] but
not only expend such taxes, but
justifies them in the proud boast they
will "for the benefit of the people
themselves", will ever place any
fiscal limit. I trust, this may
at all events, very rapidly be avoided
that these 'steps' should be a powerful
reason for carefully restricting
our new departments -

believe that these cases were held :- with
regard to Natal that no treaty were
existence of the existence of the
power & most numerous class of
cultivators has ever existed, that
they if we wish to improve their
physical & moral condition, we must
impose upon them, in addition to what
they have hitherto contributed to the State
their proper burden of local taxation.
In this (as I believe)
Justice, advocates; but, tended more
to shake the faith of the natives of
this country in the [illegible] Justice and
one rule, than this sudden accumulation

I do not think that the Honorable
Postmaster ~~General~~ has the right to
the right direction, in official
cases to the case - I consider that
I ought to be furnished with
an explanation of the refusal to
be produced [illegible] of the petitioners
bond, & more decided action
in ~~this~~ district
is required. I would allow
in person
no agent of more than 20 a day
not 30 per week: and the
witness I would proceed

51

several years: having known
Saunders Director to the
Clerks in my part of the
appointment of the order to individual
cases. Yrs

Hobart

July 4/74

Minute by His Ex.
the Governor 11 Jany 74

RD

15/10/74

180/190

188.

G.O. No. 1333 dy 16 Octobre 1874

I have my own and Ven. Thos.
-hill's doubt - but cannot put
it same construction
on ~~interpretation~~ as it
on by Hon'ble colleagues Dr. Thos says
(Jan 74) that he fully believes
"that the settlement has been
framed with great accuracy"
and that, so far as it is at
all possible, the burdens on the
land have been equitably & justly
distributed." and he adds, em-
phatically (Ib 72) "I would not
recommend that any figure of

Mr. Rundall's settlement should be altered." The District Officers (Para 59) certified similarly to the admirable manner in which the settlement had been carried conducted. and the objections of the Ryots were shown (Para 60.4) to be untenable. I cannot call to mind any settlement which has been so generally & fully approved. Mr. Thornhill's only objection was that a sum of Rs 10,887 added by Mr. Bambury to the assessment of some lands in the Delta should be remitted & the all material increase of assessment should be gradually realised, which was always intended. The lands which Mr. Bambury has added to assessment bring higher than Mr. Rundall originally intended but I cannot say the most fertile, best irrigated & most valuable in the District. and I really cannot see that any valid

188.

G.O. No. 1333 dy 16 October 1874

location is assigned for the remission
but however this may be, the fact
that this is the only change that
I know will have to happen & shew
his what care & fidelity the
settlement has been carried
out.

It certainly is the case that
when the new Survey & Settlement
were originated, it was anticipated
that a reduction would
be the general result - but I be
came prices were very low. At

188.

G.O. No. 1333 dy 16th October 1874

Yet for me I am aware it was
never intended that the State
should not profit by any increase
as well as lose by any decrease
that might result. The help rate
was determined on on the basis
of the State - which we
expected any fair or loss that might
arise. If we can know I know that
half of the net produce is more
than the most can pay or the State
should take. I do have to doubt
that the time for will arise
early to reduce it - but I am at a
loss to understand how we
can assert this - how do I see how we

can possibly be. But whatever the increase assessment properly may be, no enhancement of as early 20 or 30 per cent is even to be made. Such a principle seems to me to be at the fundamental principle of the law of assessment. If where land is found to be over assessed the pet. is bound to show the ~~ass~~ assessment, it seems to me to follow that where the assessment is found to be too low, the pet. is entitled to have it so. The result of the principle assessment is not universal in cases some lands are relieved - and while others have their assessment enhanced - and the consequence of limiting

3/ enhancements made to the extent are continued in full force, while [illegible] under revisions of assessment a serious financial loss. Then again if we adopt this principle in Nellore we must apply it also to districts already settled - In the Kistna District adjoining Nellore, the assessment ~~has been~~ varied from 5 to 8 lacs; the increased enhancement rising in some cases to 500 per cent - if 30 per cent be the limit of enhancement in Nellore, we must, in equity, adopt the same limit to the Kistna - & so the same in the other Districts already settled. I have already said that it was disputable & the object that arising

to low prices. - the new assessments would be lower than their existing, and this would probably have been the case but the pt. left the existing assessments as they were. but in anticipation of the new settlements, per-
-centage reductions - characterised by more liberality than discrimination were immediately sanctioned - and then a short while after have been reductions, and others increased. Numerous petitions have been presented against the assessments - I am quite satisfied that the act. just passed by the Commissioners will be found fair & equal & will give satisfaction to the people - & that it fully meets the

4/ circumstances. Could Govt. do more - 5/0
judicious - and I therefore do not contemplate any modification of it, & further the practical operation of the new rates & here they materially exceed the old rates.

I have nothing to add on the Estimates - The only cost not present in force is the Land Tax - which I am confident the people can easily bear & for which they receive an equivalent -

I am very averse to Taxation. Necessary taxation - but I think it not

he are bound to preach such a
according to our superior knowledge
and not according to the ideas of
their ignorant inhabitants and
for this we must raise that funds
as may be required in the correct
manner. We stand by the circu-
lar loss patents - and must act
according by -

J. D. Lee

The District I may add, has formed
by the abolition of the Pulaski Co
Cattle - as well as the Mule Corps.

Minute by the
Hon'ble Mr Sim CSI
dated 13 Sept 1874

RC
16/10/74
180/190

189
Ld. Sec 1333 B 16 Oct 1874

Confidential

58

Revenue Department

Read the following papers:-

No.

180. Proceedings of the Board of Revenue dated 22 November 1873.

Read letter from Director of Revenue Settlement, dated 24 October 1873, No. 2397/84 forwarding remarks as requested by Government upon certain doubts expressed by Secretary of State as to the revised Settlement of Nellore.

Submitted to Government, with reference to Government order, 25 August 1873 No. 900.

2 Mr Bambury's letter is so full and conclusive that nothing more need be said on the subject.

3 In reviewing the Nellore Settlement Report the Board remarked "the increase will be heavy and with the cesses very heavy", but this was not equivalent

to

to declaring the assessment heavy. On the contrary the Board considers the assessment fair, and believe that the "half net" principle has been more closely followed, and that the details have been more uniformly dealt with in this Settlement than in any other.

4 "The cesses make the increase heavier, and must be taken into consideration as a matter of policy, but the orders of Government determining that the cesses shall be separate from the assessment, and that the assessment shall be fixed without reference to them are positive.

5 Mr. Banbury proves that the Commutation rates are favorable to the ryots, that the grain yields which enter into the calculations are low, that the allowances for vicissitudes of Season are liberal, that the want of facilities for foreign trade would be no disadvantage to the part of the district in which the assessment has been chiefly raised even if

if there were no such facilities, and that Nellore has not a larger proportion than other districts of ryots occupying little pieces of land.

6 "The Board think that if the increase is imposed gradually in cases where the assessment has been considerably raised (and one result of the great inequalities of the former assessment is that there are many such cases) there will be no hardship. The suggestions made by Mr. Banbury in para 21 might be adopted.

(A true Extract)

J. Grose.
Secretary

"To
Secretary to Government
Rev: Department
with 2 Spare Copies & letter from
Dr. of Rev. Settlement.

Revenue Department.

No 1333

60

Proceedings of the Madras Government
Dated 16 October 1874.

Read the following papers

1.	Proc: Board of Revenue Submitting letter from Director of Revenue Settlement forwarding remarks upon certain doubts expressed by Secretary of State as to the revised Settlement of Nellore.	H.L.	22 November 1873.
2.	Note by the Hon'ble Mr. Sim — the above —	"	
3.	Minute by the Hon: Mr. Robinson	"	29 April 1874.
4.	— ditto — H.E. the Governor	"	6 May 1874.
5.	— ditto — Hon: Mr. Sim	"	19 May 1874.
6.	(Paras 57–80 and Para 83 of Mr. Thornhill's report dated 20 March 1874 (C. No 1044).		
7.	Minute by the Hon: Mr. Sim	"	17 June 1874.
8.	— ditto — Hon: Mr. Robinson	"	7 July 1874.
9.	— ditto — H.E. the Governor	"	11 July 1874.
10.	— ditto — Hon: Mr. Sim		

Seen
Minute of Hon'ble Mr. Sim
Have not read
my views.
9/10

1. The Govt have received, with reference to the enquiries put by the Secretary of State in his Despatch dated 24th July ..., No 18, ... from

Rev Department

No 3768

Proceedings of the Board of Revenue

Dated 22 Nov 1873
Rec'd 22 — " —

Rec'd 1333-16 Oct 1874

180-181

R. F. Hamilton
Asst Sec to Govt
23/10

from the Director of Revenue Settlement through the Board of Revenue in reply to G.O. 25 August 1873, No. 900 and from Mr Thornhill, First Member of the Board, who was directed in G.O. dated 22 January 1874, No. 98 to enquire into the points raised by His Grace the Duke of Argyll.

2. It appeared to the Secretary of State on a perusal of the Proceedings (6 March 1873, No. 267) of this Govt accepting the revision of the assessment which had been made in the six Talugs composing the Principal Division of Nellore that there were doubts as to the propriety of the recommendations which had been submitted by the Settlement Officers

officers and approved by the Board of Revenue and this Govt and before confirming the arrangements he desired to be informed how far this assessment conformed to the principle of taking not more than one-half the net produce of the soil and also what the selling price of land actually is in Govt and in Inam lands.

3. The report of Mr Banbury, Director of Revenue Settlement, goes minutely into all the subjects quoted in the Despatch as furnishing ground for misgivings. He states that both in dry and in inferior wet lands reductions have been made the increase falling on certain first rate irrigated lands which

which have notoriously been long unduly favored both as regards area and assessment. The average wet assessment fixed by the new settlement for Nellore is said to contrast favorably with that in force in other Districts. The commutation rate adopted finally for paddy in accordance with the rules in force for the guidance of the Settlement Department when applied to the actual prices ruling during the last eight years gives, it is asserted, a handsome margin in the ryots' favor. Mr. Bambury further submits that the grain yields instead of being high are for both dry and wet grains lower than in other Districts. that the allowances for carriage of produce, vicissitudes of [illegible] as to the first the same as in other District, and as to the second, more than usually liberal

Note. The "last eight years" here referred to are the years subsequent to 1876-77 now taken to determine the rates to be fixed in the average prices [illegible] to those in which the 118 per cent on the average of the subsequent eight years has been 162.

liberal, and that if the tendency had been towards exacting as much as the people can pay he would not, as he has, have recommended that in 382 villages reductions of assessment to the amount of Rs 57,481 should be made. On the further points noted he observes that the position of the District as to foreign trade is not favorable to the producers; that Nellore in point of small occupants shows better than thirteen other Districts; and that "in no settlement has the "half net-born worked out "with such care and fidelity"

4. On the question of the actual selling price of Govt. land Mr. Bambury is not able to obtain much additional information. As to sales of Inam lands there is none. If prices realized at sales for arrears of Revenue afford any

any criterion Nellore is not more behind hand, than the adjacent district of Kistna though it is doubtless true that the price of land in the northern Districts is much lower than in those south of Madras.

5. Adverting to the history of the Province since it became subject to the British Govt the Director points out that the Revenue for the decade ending with 1870 is but a few Rupees higher than that obtained during the first ten years of the century though prices now stand much higher, a large outlay has been incurred on public works, and considerable additions of territory have been acquired in the interval. The reductions which have been made in late years

work

were, he says. so managed as to leave the unduly high rates still proportionately exorbitant and to reduce to next to nothing those already too low.

6. The Board of Revenue in submitting this Report observe that it is "full and conclusive" and requires nothing to be added. In regard to their remarks quoted by the Secretary of State that "the increase will be heavy and with the cesses very heavy" they explain that in no way did they intend to describe the assessment as being heavy. On the contrary they consider the assessment fair" and "believe that the half net "principle has been made "closely followed and that "the details have been more uniformly

" uniformly dealt with in
" this settlement than in any
" other."

7. The conclusion to which Mr. Thornhill comes, after a personal investigation on the spot, is that, not one figure of Mr. Rundall's settlement should be altered and that there is no ground whatever for relieving the Nellore ryots of their fair share of the burdens of the State.

8. The inequality in rates which has given rise to the present difficulty is explained in paragraphs 66-69. Formerly when the assessment was consi=dered too high reductions were made by Mr. Smalley, but his operations only extended to parts of Nellore and Gudur, and the villages

villages so dealt with were therefore better off than the rest of the district. When a subsequent measure of relief was afforded, it was given in the shape of a gen=-eral reduction all round, so that the already favored villages again benefitted by having "their assessments "reduced beyond all reason" (paragraph 68.) The result of the strict scrutiny set on foot by the Settlement department was that this discrepancy was brought to light and these highly favored villages called upon to pay an increase, in some cases exceeding 100 per cent, while in rare cases, individual holdings were assessed at treble the original amounts.

9. The Board, Mr. Thornhill, and all officers consulted are of opinion that there will be no hardship if the increase is imposed gradually in cases where the assessment has been considerably raised. The Board think that Mr. Barbary's suggestion for realizing the excess by instalments extending over six years may be adopted. Mr. Thornhill proposes a scale for gradual enhancement where the increase is exceptionally heavy by which an increase of 300 per cent would be spread over 20 years - 200 per cent over 15 years - 180 per cent over 10 years and so on.

10. Besides this relief Mr. Thornhill would advise the

The rates originally proposed by Mr. Rundall, by which an increase of Rupees 18,867 suggested by Mr. Barbary and approved by the Board and Government would be remitted on wet lands which had already had their assessment very heavily raised, and the average per acre be reduced from Rs. 6. 5. 4 to Rs. 5. 1. 6.

11. The following comparative statement which has been obtained

obtained from the Settlement office shews the extent and assessment of Dry and Wet lands in the Ancient villages of the Nellore District under former arrangements, compared with the new settlement.

Taluqs	Description of Land	As per Revenue Accounts. Extent	Assessment	Average	As per new Settlement. Extent	Assessment now fixed by the Settlement Officer	Average	Assessment as per decision of the Board	Average	Difference Between Columns 4 & 9.	Per Centage	Between Columns 7 & 9.	Per Centage
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11		12	
		acres	Rs	Rs a p.	acres	Rs	Rs a p.	Rs	Rs a p.	Rs		Rs	
Nellore.	Dry	20,206	18,914	- 15 -	17,616	17,541	1 - -	17,539	1 - -	— 1375	7	— 2	-
	Wet	29,408	18,875	4 - 7	31,989	191,599	5 15 10	205,632	6 6 11	+86,757	73	+10,033	4
	Total	49,614	37,789	- - -	49,605	209,140	- - -	223,171	- - -	+85,382	62	+10,031	4
Gudur	Wet	7,799	8,446	1 1 10	7058	6,019	- 13 8	6,017	- 13 8	— 2,429	26	— 2	-
	Dry	12,310	53,973	4 6 2	12,375	70,550	5 11 2	75,367	6 1 5	+21,414	40	+4837	7
	Total	19,609	62,119	- - -	19,433	76,569	- - -	81,404	- - -	+19,285	31	+4835	6
Total	Dry	27,505	27,060	- 15 9	24,674	23,560	- 15 5	23,556	- 15 5	— 3504	13	— 4	-
	Wet	41,714	72,648	4 2 3	44,364	262,149	5 13 6	281,019	6 5 4	+108,371	63	+18,870	7
	Total	69,219	99,708	- - -	69,038	285,709	- - -	304,575	- - -	+104,867	53	+18,866	7

12. If the settlement already sanctioned holds good there will be a decrease of 13 per cent in the dry and an increase of 6-3 per

66

per cent in the wet the average charge on the former being Rs 0-15-5 and on the latter Rs 6-5-4.

13. The adoption of Mr. Thornhill's modification (para 10 supra) would reduce the wet assessment to 86 per cent in excess of the former Revenue i.e. the amount entered in column 7 (Rs 262,149) would be collected instead of that shewn in column 9 (Rs 281,019) and the average charge per acre would be Rs 5-13-6 instead of Rs 6-5-4 as sanctioned, and Rs 4-2-3 as heretofore in force.

14. There can be no doubt that a large area of land in this part of Nellore was formerly assessed in an exceptionally favorable manner and that

that the principles on which the reassessment has been made are in accordance with the system which has been followed throughout the Presidency in Districts which have been resettled. Neither can it be denied that the net-half of the average annual outturn has been accurately adhered to in making the necessary calculations and that on the average the settlement of the District is equitable and defensible.

15. The careful enquiries which have been made, and the results of which are recorded in the papers now under review, satisfy His Excellency the Governor in Council that the statements respecting the

this settlement noticed in paragraph 2 of the Secretary of State's Despatch already adverted to as being those of the Bs of Rev but which in fact were, except the first, those of the Govt were scarcely warranted by the facts of the case.

16. There have doubtless been enhancements of the demand in particular instances but these are inseparable from a revision which has for its object the determination of a fair assessment and its equal imposition on all alike. In this particular District the cases of unduly low assessments are abnormally numerous owing to the frequent changes in the assessment effected by

by different Officers on different principles and the absence of any survey.

17. In determining to reaffirm the decision by which the settlement proposed for these Talugs was sanctioned His Excellency the Governor in Council bears in mind that in individual cases the increase of assessment has been unavoidably heavy and in order to meet as far as possible the hardships inseparable from a sudden addition to taxation he resolves to apply the remedies proposed by Mr. Thornhill and which have already been described in paragraphs 9 & 10 of this

order

68.

order. They are in accordance with general opinion on the spot and are sufficiently liberal to meet the object in view

18. In carrying out these orders and introducing the new settlement both the Collector and Settlement Officer will exercise a liberal discretion in all cases where latitude is desirable. The order passed on the 22nd Augt 1873 No 896 modifying for the then current year the operation of the new settlement rates will now be cancelled and the new rates, with the modifications already described, introduced during the current fasli.

14 To the Board of Revenue Duplicate
15 " The Director of Audit 5
1 " P. Thornhill Esqr 5

1 G.O.

On request from Mr. Skinner & Mr. Barber on certain doubts expressed by the Secretary of State as to the revised settlement of Nellore

Prepare draft

Passed in Council 16 Oct 24

180-190.

R 9/10/24 R.L. 13/10/24
C.S. 10/24