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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

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1893
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GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

10th March 1877, No. 891.

Land-cess in Malabar.

Read the following papers :—

No. 141. *Proceedings of the Board of Revenue, dated 14th July* 1876, *No.* 1806 :

Read the following letter from W. LOGAN, Esq., Collector of Malabar, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Calicut, 24th May 1876, No. 130 :—

Referring to your endorsement, dated 27th October last, on G.O., Financial Department, No. 1986, dated 8th October 1875, I have the honor to observe that

General conclusions and sketch of this report.

the fullest consideration which I have been able to devote to the subject does not lead me to agree in the view expressed in paragraph 32 of the Government Order above quoted, viz., that the proprietary character of land tenure in Malabar, as well as the mode in which the land revenue there has been fixed, removes the land from the category of land held direct from Government, and that the Local Fund rate should therefore be imposed under Clause iii, Section 38, of the Local Fund Act; and, to enable the Board to judge how far that opinion is justified, I shall first of all set out my arguments in support of that opinion and then proceed to show that, even if the Board should not agree with me on that point, the proposed assessment of the Local Fund rate under Clause iii, Section 38, would be most difficult, more difficult, say, than the completion of a fresh Revenue assessment, and the assessment operations and subsequent levying of the land-cess under the provisions of Sections 40 to 49 of the Act would be so liable to misinterpretation and so oppressive to the tenants in many places that it would be fraught with political danger. I shall wind up this report by a review of the Local Fund revenue of the district and by making certain proposals for relieving Provincial Funds.

The settlement of the district is a Ryotwari one.

2. Referring to paragraph 29 of the Government Order, I consider that it is incorrect to say of the mode in which the land revenue was fixed that "the settlement is not a Ryotwari settlement in the ordinary acceptation of the term or based in the main on any field survey or valuation of soil or share of crops," because first of all the settlement is, as a rule, made with the individual cultivator or ryot, whether he is a Jenmi, or outright proprietor, or a mortgagee, or a simple tenant-at-will, that is to say, there is no middle-man between the Government and the cultivator, and that is I have always considered the chief distinction between a Ryotwari settlement and a Zemindari one. Then, again, the settlement made with each individual does, as a matter of fact, vary constantly for many and obvious reasons; whereas Zemindari settlements are understood to be permanent

ones not liable to change. And, finally, as I shall now explain in detail, the various assessments on wet, dry, and garden lands are based on field surveys, valuations of soil, and shares of crop.

3. It is true, as pointed out in the Government Order, that the principle on which the settlement was made was that certain proportions of the landlord's rent should be reserved as the Government assessment; but that principle, I maintain, the peculiar circumstances of the district, to easily attaining the end in view, viz., the *wet lands*. This, I think, will be readily Percentage varies from 25 to 100 per cent. of s, or ought to bear (if equitably assessed), of the land.

This statement examined with reference to—
1.—The wet land assessment.
(*a*.) Based on percentage of rental varying from 25 to 100 per cent.

was adopted only because it chanced, in the one best adapted for quickly and assessment of a Government revenue on the admitted when it is considered that this the net rental, and that the net rental bea a constant proportion to the gross produce

It may be as well here to mention what were the details of the actual calculation. The quantity of seed required to sow a given extent, viz., 100 perkams,* was determined by an arbitrary classification of the soils into nine sorts. Then, nominally by other arbitrary rules, but really at the discretion of the settling officer, the outturn multiple or *mori* was fixed for the different classes of soils in different localities. The quantity of seed and this multiple gave the gross produce, and by deducting from the gross produce double the quantity of seed sown the net produce was ascertained. One-third of the net produce was set aside as the cultivator's remuneration and the balance was the net rental of which the Government claimed a share. An example will set it forth more clearly:—

* The method of calculation.
1 Perkam = 6 feet × 6 feet.
100 " = about ½ acre.

		Seed required for 11 Perkams.		Outturn Multiple.		Gross Produce.
5 Hangalis			×	6	=	30 Edangalis.
Deduct for	Seed	.. ..		.. ..	= 5	
	Cultivation expenses ..				= 5	
					— 10	"
			Net produce ..		20	"
Deduct one-third as cultivator's remuneration.					6⅔	"
Net rental or Verumpâttam or Salakshanam Pattan					13⅓	"

5. Although, however, the Government claimed in some instances the whole of this net rental (as in the old Kurumbranad, the present Calicut, and the present Palghaut Taluqs), as a matter of fact the share of the produce never amounted to so much, because, where the share taken of the rent was large, the commutation rate at which the produce was converted into a money assessment was, as a rule, comparatively small. The following table will show the incidence of the assessment in the various taluqs of the

But (*b*) the assessment never amounted to so much as 100 per cent. of rental.

district, except Wynaad, where a different method of calculation was, and is still, in force:—

Taluqs.	Percentage of net rental on which Government Assessment calculated.	Commutation rate per 1,000 Edangalis.	Incidence of Government Assessment on Land yielding 1,000 Edangalis of net rental.	Remarks.
		Rs. A. P.	Rs. A. P.	
1. Cherakal	50	41 8 0	20 12 0	
2. Kotteyom	50	41 8 0	20 12 0	
	60	41 8 0	24 14 5	
	72	45 0 0	32 6 5	
	25	45 0 0	11 4 0	
	100	19 7 8	19 7 8	
3. Kurumbranad ..	60	40 0 0	24 0 0	Old Kadattnad Taluq.
	100	17 2 3	17 2 3	
4. Calicut	65	17 2 3	11 2 3	
5. Ernad	65	21 6 10	13 14 10	Old Chernad Taluq.
	65	28 9 2	18 9 2	
	65	14 4 7	9 4 7	
6. Walluwanad ..	65	11 6 10	7 6 10	Old Nedanganad do.
	100	12 13 9	12 13 9	
7. Palghaut	60	35 11 5	21 6 10	
8. Ponany ..	60	21 6 10	12 13 9	
	60	28 9 2	17 2 3	
	65	21 6 10	13 14 10	
	65	14 4 7	9 4 7	Some portions of old Betatnad Taluq.
9. Cochin	65	25 0 0	16 4 0	

6. I may add further while on this subject that, although the figures in the last column of the above statement may seem to give the relative proportions of assessment to rental in the different taluqs as a matter of fact, the incidence varies greatly because, as already alluded to, it was left very much to the discretion of those who originally conducted the settlement to vary the outturn multiple of the various classes of soils according to local circumstances, and hence it came about that in some portions of the old Nedanganad Taluq, for instance, where the percentage of pattam is moderate and the commutation rate exceedingly small (*vide* table above), the lands are nevertheless almost unbearably assessed.

And (*c*) the incidence varies greatly for another reason.

7. The Board will, therefore, observe that, although the principle adopted in making the settlement was to take a certain percentage of the rent, that principle had, in reality, very little bearing on the settlement actually made, because the commutation rates and the outturn multiples varied so greatly in different localities. At the same time, I freely admit the fact that the wet lands of the district were very moderately assessed on the average, although in some instances the assessment was as much as Rupees 12 to 15 per acre.

Fact that wet lands are lightly assessed on the whole admitted.

8. Turning from wet lands to the garden assessments, I have the honor to point out that the principle of the existing assessment on cocoanut and areca trees was laid down by Mr. Rickards and afterwards carried into effect by Mr. Graeme and others and was fixed at one-third of the gross produce. The soils of cocoanut parambas were classified according to their productive qualities, and one-third of the gross produce thus found was taken and converted into a money assessment at Rupees 10 per 1000 cocoanuts, &c. The same principle seems also to have been kept in mind in assessing jack trees.

II.—The Garden assessment.

9. Finally, all assessments on other products of the district as coffee, ponam (rice cultivated on uplands), ellu (gingelly-oil seed grown on uplands), are calculated at various rates *per acre*.

III.—Other Miscellaneous assessments.

10. From a consideration of what is above stated I think the Board will be of opinion that a Puttadar in Malabar is in no way different from the ordinary ryot of other districts. (except that his lands are, as a rule, lightly assessed) in exactly the same position as that occupied by the ordinary ryot of the other coast. Just as the occupancy of the latter is contingent on his punctual payment of the Government assessment so it is here: *the land itself* is the security for the Government revenue, and, if other means fail, *the land itself*, free of all encumbrances, is sold in public auction. The "proprietary character" of the holdings avails the ryot not one whit when he has made default in his public revenue, and I would therefore submit, with all deference, that the words of Clause i, Section 38, of the Local Fund Act, viz., "lands held direct from the Government under a Ryotwari settlement," are as applicable to the *assessed* lands of this district as of any other in the Presidency. Indeed, I look on those words as simply the equivalent of another phrase, viz., "lands subject to Government assessment under a Ryotwari settlement," and that phrase is, I feel sure, the Board will admit, strictly applicable to the lands in this district. Besides which, it is clear that the peculiar circumstances of this district were present to the mind of the legislators when the Act was framed, and the words were assumed at the time to refer to this district and were acted on afterwards, and no doubt on the point ever arose till it was found that the Act did not sufficiently provide for the Local Fund revenue.

Conclusion that Puttadar of assessed lands is in no way different from the ordinary ryot of other districts.

11. Turning from assessed lands to unassessed, I admit that there is a great difference between the holdings in this district and in other—for, it is quite true, as observed in paragraph 25 of the Government Order, that, owing to the "proprietary character" of the holdings, "large areas of waste and forest are held free from all assessment and go to swell the landed property of the district which is not rated for local purposes." But I would most respectfully submit that therein lies, so far as Government assessment is concerned, the only real difference which exists between this district and an ordinary Eastern Coast Ryotwari one. For, although it is true that in some portions of the district lands

The holder of unassessed lands occupies, however, a better position than the ryot elsewhere, and it is right that he should be assessed under Clause iii, Section 38, whenever practicable.

planted with pepper, ginger, plantains, and several kinds of dry grains are not assessed to revenue, the true reason for this exemption lies in the fact that, as the records of my office clearly show, no practical way of equitably assessing these products has yet been discovered. Pepper, until the passing of the latest Tariff Act, used to bear an export duty in lieu of assessment. I shall revert to the subject of these special products and of the unassessed waste and forest lands further on in this report, and I shall now merely submit for the Board's consideration that, however right and just it may be to apply, whenever practicable, Clause iii of Section 38 to the case of landed property which at present bears no Local Fund assessment, that is no reason for departing from the spirit of the law in estimating the "annual rental" of lands held subject to a Ryotwari settlement, as, in my view, is the case with the *assessed lands* of this district.

12. I observed in paragraph 1 that, even if the Board should not agree with me in the views above expressed, the assessment operations under Clause iii, Section 38, would be very difficult and the whole proceedings so liable to misinterpretation that they would become politically a source of danger.

Passing to the consideration of levying the cess under Clause III, Section 38.

13. In proceeding to set forth my reasons for that view, I would, in the first place, submit that for the garden and dry lands of the district we have absolutely no accounts at all to show what the rental of the district really is, and that, even for the wet lands, the account which exists is not reliable. Writing* of the wet lands' account in 1858, the Hon. Sir W. Robinson said: "This account (the Jama Pymaish account of 1806—10) has not been used in the district, its accuracy has been impugned,† and a survey and thorough examination and collation of these with the true areas of the land that they are intended to refer to are emergently and absolutely required, and this can only be done in a topographical survey and thorough re-examination of the settlement of the district." The Board are probably aware that the account thus referred to is what is usually known as the Alava Pymaish, or, more popularly still in the district, as the Hinduvi account, on which the present wet land assessment of the district was revised first under the Hon. Sir W. Robinson and afterwards under Mr. P. Grant. The great value that account had was, as explained in paragraph 18 of the Collector's letter of 4th June 1858, that it showed accurately what were the existing assessments on the wet lands at the time of its preparation, the actual assessments having meanwhile, from causes set out in the above letter, fallen into the greatest confusion and disorder. In this revision of the assessment the cases in which lands were by this Hinduvi account excessively taxed were naturally the only ones brought to notice and corrected, and it was not therefore necessary, except in such cases, to refer to the principles on which the assessments had first of all been fixed, and no general revision took place of the "Estimated rent" and "Admitted rent" columns of the register. These columns cannot, therefore, be safely taken as guides in preparing a rent-roll of the district, and it

(*a*) There are no reliable public accounts of rental even for wet lands and no accounts whatever of the other land rentals.

* To Director of Revenue Settlement, dated 2nd June 1858.

† By Mr. Commissioner Graeme.

follows that for the purposes of assessment under Clause iii, Section 38, we should have to begin with a blank sheet of paper, so to speak.

14. Such being the case, it is necessary next to consider what the term "landholder," as applied to this district under the explanation given in Section 1 of the Act, would mean. That term includes "all holders of land under Ryotwari settlement or in any way subject to the payment of land revenue direct to Government and" (as I understand the Act where these terms and those preceding them in the sentence *do not* apply) "all other registered holders of land in proprietary right." Now, it has been already casually alluded to in a preceding paragraph (2) that the ryot or, if the Board object to the use of that term, the Puttadar, in this district may be any one from a Jenmi in possession down through all grades of mortgagees and tenants to a simple tenant-at-will. I will not trouble the Board with a list of the various tenures subordinate to that of a Jenmi in possession, but the Board will easily understand that such tenures come to be very numerous where landed property does, as in this district, form the investment for all money made in trade or in service, and where, as in this district, the practical character of the people has shown itself in nothing more markedly than in their advanced notions on the subject of tenant rights. On a reference, therefore, to the list of Puttadars, it may reasonably be expected that "landholders" in the sense of the interpretation contained in Section 1 of the Act are extremely numerous, and, turning to actual figures, I find that, excluding all persons who would come under the phrase "registered holders of land in proprietary right," there are 171,418 "landholders" in the district to be dealt with.

(*b*) The number of "landholders" as defined by the Act is excessive.

15. Now, bearing in mind, first, that we must begin with a blank sheet of paper (so to speak), and, secondly, that we have the above large body of "landholders" to deal with, I will next proceed to discuss the procedure which the Act prescribes—(I) for ascertaining (Sections 40 to 45) the "annual rental" payable to the "landholders" and (II) for levying (Sections 46 to 49) the local rates so fixed.

Bearing these two facts in mind, proceed to discuss the provisions of the Act.

16. It is clear from the wording of Sections 40 to 42 that the first step to be taken to ascertain the "annual rental" is to call upon each "landholder" individually to furnish within six months the list required in Section 40. I am not stating my individual opinion alone on this point when I say that not one in ten of the large body of "landholders" in this district would be capable (even if willing) of making a correct return. A very large percentage of them can neither read nor write, and I am perfectly certain that not one in 500 of them would have a copy of the Local Fund Act to teach them what was expected of them. The penalty prescribed by Section 41 would of necessity be almost a dead letter; and, finally, on this point such returns as were received would require to be corrected, because, as the Board will be prepared to understand from what has been said in paragraph 14 above, the "annual rent" payable to the "landholder" by his tenants varies from a mere pepper-corn rent (as in the case of Kudima, Adima, Anubhavan, and heavy usufructuary mortgages) to a rack-rent taken from a common Puttakar. In all cases in which the tenant held on exceptionally favorable terms, the

Sections 40 to 42 providing for submission of returns nearly useless in this district.

provisions of the last portion of Clause iii, Section 38, of the Act would have to be enforced.

17. In short, so far as this district is concerned, Sections 40 and 41 might with advantage, if such a course were legal, be discarded altogether, and the real work of the assessment would commence at the expiration of the seven months from the date on which the "landholders" had been called on to send in their lists.

Real work of settlement would commence at expiration of the seven months mentioned in Section 42.

18. I have said above (paragraph 1) that the real work of the settlement would be more difficult than that of a fresh Revenue assessment, and my main reason for saying so is that in a Revenue assessment we should be guided in each individual case simply by what, on calculation after certain general fixed rules, we found to be the gross and net produce of the land; whereas, for the purpose of fixing the "annual rental," many other points varying with the different character of each holding would have to be considered in ascertaining what was "the annual rent payable to the landholder by his tenants." For, it is obvious that where proof of the payment of certain rent was forthcoming, we must of necessity take that into consideration and decide with reference to the last portion of Clause iii, Section 38, whether, if it was a "favorable rent," it was still the "rent ordinarily payable to the landholder for lands of similar quality leased out by him in the neighbourhood." In Malabar, as elsewhere, there are landlords who rack-rent their tenants, and there are landlords of the true Conservative stamp who will not give leases, but who will continue to grant their lands to tenants on exactly the same terms as have been paid by them and their forefathers for generations and generations. Under Clause iii, Section 38, we should have no option in the case of these favorable tenancies but to accept the *actual* "annual rental" as the basis for calculating the Local Fund cesses, however inadequate they might be and inequitable when compared with others. In such cases and in numerous others that might be mentioned I think it will be obvious to the Board that a fresh Revenue assessment *conducted on a uniform system* would be much easier than the assessment of the "annual rental" under Clause iii, Section 38.

The work would be more difficult than a fresh Revenue assessment, because the latter would be conducted on a uniform system; the former must take note of a vast number of exceptions to any general rules.

19. In all other respects, such as the number of individual assessments to be made, measurement of land determining its class and productive powers, numbering of trees, &c., &c., the difficulty of making this "annual rental" assessment and of making a fresh Revenue assessment would be exactly the same, and for the reasons given in the last paragraph I would very much rather undertake the latter than the former. To do the latter thoroughly would take *some years*, even supposing that a regular survey had preceded the settlement and placed valuable survey materials at my disposal. To do the former in a hurry, as it would have to be done if it is necessary that Provincial Funds should be shortly relieved of the burden pointed out in the Government Order, would be to do it badly, and I am not prepared to accept the responsibility for the universal dissatisfaction which would arise from so doing it.

In all other respects the work would be as difficult as a fresh Revenue assessment and would require a long time to do thoroughly.

20. Further, I would call attention to the fact that no provision is made in the Act for revising annually the assessments so fixed. Such a revision would be more necessary in the case of "annual rental" assessments than of the regular Government assessments, because "annual rental" assessments, if any reference is to be made at all to *actual* rental, would vary constantly. The changes in the register of Local Fund cess-payers would be quite as numerous as in the register of Government cess-payers, and consequently the work of the subordinate Revenue officials, who are admittedly, even at present, very much under-paid, would be more than doubled.

No provision in the Act for revising assessments annually.

21. Next, as regards the levying of the cess so fixed, it seems to follow from Section 46 that, if this is not a Ryotwari district, the cess would not be entered in the putta of the landholder. Separate Local Fund puttas would therefore have to be issued, and with a body of "landholders" numbering 171,418 the Board will understand how great the additional task thus thrown on the subordinate Revenue establishment would be, even if aided, as they would have to be, by a special establishment, and in making the collection, which I suppose would be done as at present along with the regular Revenue assessment, the chance of errors of calculation would be much increased by the necessity of having to refer to two puttas.

Additional work thrown on subordinate Revenue establishment which would have to be strengthened.

22. Finally, in proposing any increase to the burdens on the land, it must always be borne in mind that our Law Courts recognize entire freedom of contract between landlord and tenant, and that many landlords in this district abuse the position which the Law Courts thus give them. I quote on this subject from an influentially-signed petition lately sent to me from Palghaut by Brahmins and Hindoos: "Till the last twenty-five years the landlord used to charge a fee of 10 per cent. on the kanom amount" (a sum of money advanced by the lessee on security of the land when entering on his lease) "when a renewal of the deed takes place. It was raised to 20 per cent., and has since been constantly on the increase till it reached Rupees 100 on an acre as at present. The calculation is not made on any fixed data. But the amount fixed by the unbridled avarice of the landlord is demanded as fees. The tenant is obliged to yield, however extravagant the demand may be, for fear of losing the land. On the whole, it may be said the Jenmies act on no principle with respect to the fees they charge. When the kanom amount is *large*, the Songanyom or premium is generally 35 per cent. or upwards. It is not unusual in certain cases (on the other hand) to extort 1 Rupee for every Fanam (4 Annas and 7 Pies) on the kanom sum." And, again, "when the proprietors have absolute control over the property, any increase in the existing system of taxation, or imposition of any new tax in the shape of Local Fund or other tax, devolves upon the tenant, and thereby subjects him to an additional expense without the means of meeting it."

Palghaut petitioners represent that it would lead to the further impoverishment of the tenantry.

23. From my own inquiries on this subject I am led to think that there is much of truth in what is above stated. This entire freedom of contract as enforced

Much truth in the petitioners' statements.

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by our Courts may become a real element of political danger, and I am inclined to attribute to the arbitrary action of landlords supported by the Courts much of the bitterness which undoubtedly exists in some parts of this district between Mahomedans and Hindoos. Men are turned out of their holdings on the most arbitrary grounds, and I feel sure that an inquiry would elicit innumerable instances of persons clinging to the land on starvation terms rather than allowing it to pass to others. A rise in rental is rather a good thing for a progressive community, because exertion is stimulated and science comes to the aid of labor; but in a society like the one existing in this district, or, say, in Ireland, where the labor of a man's hands is all that he has to fall back upon, a rise in rental becomes a huge engine of oppression. In this district, a poor cultivator turned out of house and holding has nothing before him but to help to overcrowd the cooly-market, or to resort to crime. The Palghaut petitioners say that any new burdens on the land fall eventually on the tenants, and that is without a doubt the case. The Act provides (Section 47) for "landholders" recovering from their tenants a certain portion of the Local Fund cess, but *vice versâ* no provision is made for tenants recovering any portion of the Local Fund cess from *landlords*. What is actually the case in this district may sooner or later be the same in any Ryotwari district, because there is nothing to prevent men from acquiring large landed estates in Ryotwari districts. I should be glad to see legislative action taken for improving the condition of tenants in this district. Meanwhile, it should be distinctly borne in mind that the present Act does *not* permit (though the contrary is assumed in paragraph 31 of the Government Order) of "imposing on the greatly-enhanced rent of the landlords their proportionate burden of local cess," except in the cases in which a "landholder" as interpreted in the Act is also the *landlord*, and in many even of such cases the relief afforded to the tenants would cease at the first renewal of their leases.

24. To sum up on this point the novelty of the settlement operations in inquiring into rental, not with a view to a fresh settlement of Government revenue, but with a view to increasing an already-existing separate tax, would be certainly misunderstood by the great body of "landholders." Again, unless ample time, say several years, were allotted to the task, the work could not be done equitably, and any hasty introduction of such an assessment would be certain to lead to dissatisfaction, if not to open opposition. Finally, such an assessment would press with the greatest hardship on the impoverished tenantry, and, as this would be particularly the case in those portions of the district which politically have given most trouble, I am not at all sure that such a measure would not provoke an outbreak. For my own part, and after consultation with my most experienced Revenue Officers and with the people themselves at the Jammabandi Settlement, I am decidedly against such a measure.

Summary of the arguments against the proposal.

25. Here, if I confined my report to the question on which Government desired my opinion, this letter would end, but it seems to me my report would be incomplete if, having stated my opinion against the proposed measure, I did not offer any suggestions as to what should be done under the circumstances set out in detail in the Government Order, and this I will now do as briefly as possible, merely premising that this reply would not have been so long delayed had I not wished to give this point the fullest consideration.

This letter should end here, but report would be incomplete without a full statement of views.

26. In paragraph 16 of the Government Order it is stated that the claims of this district on Provincial Funds under every head are not only exorbitant but inequitable when considered with reference to the rest of the Presidency, and the first consideration to which I would invite the attention of Board and Government is that a specific *minimum* grant should be assigned to each district in the Presidency from the Provincial grant at the disposal of Government, because, until this is done, the financial position of any Local Fund Circle (especially those which are dependent largely on Provincial Funds) cannot be considered as stable. For instance, in the current year the Provincial grant to this district has been diminished by no less than—

Minimum fixed grants from Provincial Funds should be assigned to each district for—
I.—Communications.
II.—Education.
III.—Sanitation.

	Rs.
	43,080 for Roads, and
	16,320 for Education and General Purposes.
Total ..	59,400

Next year we do not know what to expect, perhaps the grant may be less, perhaps more, and it is obvious that t is most difficult to prepare a scheme for increasing Local Fund revenue, and that no Circle finances can be considered as in a permanently satisfactory condition when such large sums are liable to be given and withdrawn annually. The first point, therefore, which I would submit for the Board's consideration is, that *minimum* fixed grants should be assigned to each district for I, Communications; II, Education; and III, Sanitation.

27. What this minimum grant for Communications should be is a point on which, of course, it is difficult for a District Officer to express an opinion; but, in considering such a question, I would desire the Board and Government to keep in mind two points which, I think, entitle this district to more favorable consideration than others, viz., (I) Although the land revenue of this district is comparatively small, yet it is *net revenue*, that is to say, the Government are put to little or no expense to construct or maintain works of irrigation as elsewhere. I find from the *latest* returns* on the subject that no less than Rupees 22,00,000 and odd have been assigned to the other districts of the Presidency in the present year for current irrigation expenses alone and that the outlay on Capital account in the same time will be over Rupees 5,00,000. Then, again, the Capital outlay to the end of 1874-75 in the Presidency was estimated at Rupees 1,77,37,550. Malabar, although it contributes Rupees 18,39,767 annually as land revenue, obtains a most insignificant share of this large amount. The land revenue of this district is very nearly on a par with others (such as Madura and Salem) of about equal population and yet both of these districts obtain large annual grants for irrigation. II. Then again I would call attention to the fact that, although the land revenue of the district is comparatively

Remarks that in fixing the minimum grant for Communications in this district two points should be kept in mind, viz.:—
I.—The district requires no Irrigation Funds.
II.—The district pays its full quota to General Revenues.

* Second Supplement to *Gazette of India*, dated 13th April 1876.

* North Arcot.	Coimbatore.
South Arcot.	Tanjore.
Salem.	Madura.

small, the revenue from all sources actually exceeds that of any of the *other districts** which come near it in point of population, except Tanjore, which has enjoyed the advantage of an exceptional expenditure on irrigation works.

28. The conclusion which seems to flow naturally from these two facts is that while Malabar should have ordinarily at least as much of the Provincial grant for roads as other districts of the same population, inasmuch as it contributes its full quota to the General Revenues, the peculiar circumstance that no outlay is required for irrigation works entitles it to a further share of the Provincial grant for roads equalling or, at least, approximating to the grant for irrigation works in other districts, because roads and canals are approximately of the same importance in developing the resources of Malabar as tanks and irrigation works are elsewhere. And if that be granted, then it will be seen on reference to actual figures that the Provincial grants *for roads* in this district are very much what they ought to be, and, in considering this point, it must be borne in mind that, although the actual grants (including Special Funds) seem to be in excess, a sum of half a lakh of Rupees must be deducted from the total on account of Ferry Rents, which though included among Special Funds have *from time immemorial* formed the backbone (so to speak) of the Local Fund revenues of this district.

The conclusion drawn that while this district should have ordinarily as much of Provincial grant as other districts it should have an additional grant approximately equal to the annual irrigation grant of other districts.

29. What the minimum grants for (I) Education and (II) Sanitation should be it is still more difficult for a District Officer to judge. And all that I would submit on this point is, that I personally have no wish, and from recent inquiries during the Jammabandi Settlement I am confident the people themselves have no wish, that this district should in any way be treated with exceptional favor. The people have always shown a most laudable disposition to allow themselves to be taxed for educational purposes, and that fact has been recognized in paragraph 7 of the Government Order.

For Education and Sanitation the people willing to be taxed.

30. I will assume, then, for the purpose of considering to what extent it will be necessary to raise the Local Fund revenue of this district, that the minimum Provincial grant for Roads will remain *the same*† as it has been on the average of the last five years, and that the grants for Education and Sanitation will be cut down to what the average grant of each Local Fund Circle would be in the current year (1876-77)‡ if the total grant were distributed equally among them, that is to say, Rupees 1,035 for Education and Rupees 735 for Sanitation, or, doubling those sums for the two Circles of this district, say—

Presumption that Communications grant will be maintained and Education and Sanitation grants reduced.

† Rupees 1,80,000 (about).

‡ *Vide* Supplement to *Fort St. George Gazette*, dated 9th March 1876.

	Rs.
	2,070 for Education, and
	1,470 for Sanitation
Total ..	3,540

The actual grants in the current year to this district are—

	Rs.
16,150 for Education, and	
15,000 for Sanitation.	
Total ..	31,150

The average receipts and charges for four years shown.

* As in 1871-72 the grants for Provincial Services were not separately allotted to Roads, Education, &c., and as the expenditure under Grant I was also in that year lumped under "Sanitary and Miscellaneous," I have been unable to use the figures of 1871-72 and have therefore calculated the averages from only four years' figures.

31. I subjoin a statement of average receipts and charges during the last four* years arranged under Budget Major and Minor and Minor sub-heads. The actual figures on which these averages were calculated will be found in Statement B, &c. :—

Receipts.

	Minor Heads.			Major Head, Total.
	Calicut.	Tellicherry.	Total.	
1. Allotments from General Revenue—				
(a) Provincial Funds. For Roads ..	1,30,690	56,665	1,87,355	
" Schools ..	20,895	14,315	35,210	
" General Purposes ..	765	1,042	1,807	
Total ..	1,52,350	72,022	2,24,372	
(b) Special Funds. Surplus Pound Fund ..	1,917	1,237	3,154	
Ferry Rents	30,175	20,450	50,625	
Avenues	2,795	870	3,665	
Miscellaneous	2,140	1,645	3,785	
Total ..	37,027	24,202	61,229	2,85,601
2. Rates and Taxes—				
(a) Cess on Land	75,720	34,220	1,12,440	
(b) Tolls	33,610	33,605	72,215	
(c) House-tax	7,492	2,935	10,427	
Total ..	1,16,822	70,760	1,87,582	1,87,582
3. Fees in Schools	2,547	170	2,717	2,717
4. Contributions	3,522	260	3,782	3,782
5. Receipts from Endowments, &c.—				
(a) Educational	542	53	595	
(b) Hospitals	653	162	815	
(c) Choultries	635	210	845	
(d) Miscellaneous	37	15	52	
Total ..	1,867	440	2,307	2,307
6. Miscellaneous	27,715	2,107	29,822	29,822
7. Miscellaneous Debt Accounts	22,712	1,410	24,122	24,122
Grand Total ..	3,64,562	1,71,371	5,35,933	5,35,933

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Charges.

	Minor Heads.			Major Heads, Total.
	Calicut.	Tellicherry.	Total.	
	Rs.	Rs.	Rs.	
Grant I, Public Works—				
(a) New Works.. Communications ..	1,00,085	50,190	1,50,275	
Educational	670	1,130	1,800	
Sanitary and Miscellaneous	3,300	342	3,642	
	1,14,890	63,345	1,78,235	
(b) Repairs .. .. Communications ..	860	218	1,078	
Educational ..				
Sanitary and Miscellaneous	3,200	1,170	4,430	
Total ..	2,23,065	1,16,395	3,39,460	
(c) Establishment. Cost of D. P. W.	49,788	28,808	78,596	
Supervision ..	4,705	1,675	6,380	
Petty Establishment.	1,232	180	1,712	
Tolls and Ferries ..				
Total ..	55,725	30,963	86,688	
(d) Tools and Plant	2,523	828	3,351	
(e) Contingencies	130	37	167	
(f) Contribution	3,230	6,737	9,967	
(g) Miscellaneous	1,370	305	1,675	
Total, Grant I ..	2,86,043	1,55,265	4,41,308	4,41,308
Grant II, Education—				
(a) Inspection	2,303	2,530	4,833	
(b) Training Schools	225	380	605	
(c) Local Fund Schools	23,195	8,033	31,228	
(d) Grants in Aid	4,222	9,842	14,064	
(e) Miscellaneous	1,982	400	2,382	
Total, Grant II ..	31,927	21,185	53,112	53,112
Grant III, Sanitation, &c.—				
(a) Hospitals	9,345	1,657	11,002	
(b) Vaccination	2,318	1,080	3,398	
(c) Sanitary Establishments	2,885	292	3,177	
(d) Choultries	745	410	1,155	
(e) Public Bungalows	1,442	1,158	2,600	
(f) Miscellaneous—Contributions, &c. ..	5,298	820	6,118	
Total, Grant III ..	22,433	5,417	27,450	27,450
Grant IV, Miscellaneous—				
(a) Presidency Establishment	1,288	630	1,918	
(b) Collector's do.	537	358	895	
(c) Local Fund Board's Establishment .	165	383	748	
(d) Contingencies	577	697	1,274	
Total, Grant IV ..	2,767	2,068	4,835	4,835
Miscellaneous Debt Accounts ..	9,260	1,935	11,195	11,195
Grand Total ..	3,52,030	1,85,870	5,37,900	5,37,900

The same figures arranged under—
I.—Communications.
II.—Education.
III.—Sanitation.

32. These figures arranged differently show that on the average of the last four years there has been spent—

I.—ON COMMUNICATIONS.

Grant I.

	Rs.
(*a*) New Works	1,50,275
(*b*) Repairs	1,78,235
(*c*) Establishment	86,688
(*d*) Tools and Plant	3,351
(*e*) Contingencies	167
(*f*) Contributions	9,967
(*g*) Miscellaneous	1,675
(*h*) Miscellaneous Debt Accounts	11,195
Total, Communications Charges	4,41,553

II.—ON EDUCATION.

Grant I.

(*a*) New Works	1,800
(*b*) Repairs	1,078
(*c*) Establishment	..
Total, Grant I	2,878

Grant II.

(*a*) Inspection	4,833
(*b*) Training Schools	605
(*c*) Local Fund Schools	31,228
(*d*) Grants in Aid	14,064
(*e*) Miscellaneous	2,382
Total, Grant II	53,112
Total, Education Charges	55,990

III.—ON SANITATION.

Grant I.

(*a*) New Works	3,642
(*b*) Repairs	4,430
(*c*) Establishment	..
Total, Grant I	8,072

Grant III.

(*a*) Hospitals	11,002
(*b*) Vaccination	3,398
(*c*) Sanitary Establishments	3,177
(*d*) Choultries	1,155
(*e*) Public Bungalows	2,600
(*f*) Miscellaneous	6,118
Total, Grant III	27,450
Total, Sanitation Charges	35,522

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totals of charges under each of those heads.

33. So that the annual average charges of the district in the last four years may be thus arranged:—

	Rs.
Communications	4,41,553
Education	55,990
Sanitation	35,522
Miscellaneous	4,835
Total Charges	5,37,900

Reasons for considering the Communication charges cannot be reduced without throwing back the progress of the district, and an estimate formed with reference to actual figures in last paragraph of future charges under this head.

34. Now, as regards Communications, I am certain that no one who knows this district well, and who knows what has been done for it of late years, will be found to assert that the Local Fund expenditure on Communications is such that it can be curtailed without throwing the district back in the career of progress which was inaugurated for it by the imposition of the Road Fund cess. We have a system of inland canals to make which will for years swallow up every Pie that can be spared from Local Funds. Even the skeleton frame-work of main roads is not yet completed, far less the *thousands of miles* of small village roads which ought to branch off from these and permeate every cultivated valley which the main roads cross. Then, again, the monsoon torrents render most expensive the mere repairs of roads that have been made. The temporary wooden bridges which are at present in use, and the periodical renewal of which adds so materially to the expenses of the road repairs, require to be replaced by more durable structures of iron or stone. The *absolute necessity* for first making roads and secondly keeping them in good order can hardly be realized by a person who has never attempted to travel through portions of this district where no roads at present exist. In most other districts a cart can with a very little trouble be taken almost anywhere in the dry season. Here, on the contrary, in wet season and dry season alike, carts can go *nowhere* unless expensive roads and bridges have been prepared beforehand. I consider, therefore, that I am making a very moderate estimate of the *future* needs of the district in the way of Communications when I say we shall require annually for—

	Rs.
New Works	1,50,000
Repairs	2,00,000
Establishment, &c.	1,00,000
Total	4,50,000

Present sources of revenue set forth. Whole of land-cess should be applied to Communications.

35. Now, to make up this sum we have at present (*vide* paragraph 31) the following sources:—

	Rs.
The proposed minimum Provincial grant	1,80,000
Special Fund	60,000
Land-cess	1,12,000
Tolls	72,000
Total	4,24,000

The Board will observe that I propose to allot the whole of the Land-cess rate to Communications, and my reason for doing so is that, as I propose to raise sufficient funds from a house-tax to defray Educational and Sanitary charges, which fall most appropriately on that description of property, the whole of the Land-cess will be available for Communication charges, which, on the other hand, seem to me to fall most appropriately on the Land.

36. What has, therefore, considered is, how best to raise the deficiency of Rupees 26,000 between the income from these sources and the limit of charges detailed above. I have given this point the very fullest consideration, and I am of opinion that this sum may be made up (1) by putting tolls on all *bridges* which are not at present tolled and by tolling foot passengers as well as vehicles and cattle, and (2) by assessing under Clause iii, Section 38, all sundry sorts of cultivation and resources from the land which are at present untaxed both to General Revenue and Local Funds.

The deficiency between revenue and charges (paragraphs 34 and 35) to be made good by bridge tolls and assessments on sundry sorts of landed income.

37. As regards the first of these methods the Board will doubtless have no difficulty in understanding that, in a hilly district like this, where for six months in the year deluges of rain and floods are so common, the most expensive item in road-making is the provision and maintenance of bridges. The country through which the roads are made is so difficult to traverse that many instances might be named in which the fall of a bridge of even twelve feet span has been sufficient to stop the entire traffic on a road, not merely during the rainy months but permanently throughout the year. Passing along a smooth level road even in the hilliest country one is apt to forget the difficulties which have been overcome; but no one, I am bound to say, could for a moment fail to realize the efforts which have been made for his convenience when he arrives at the yawning brink of a deep swift flowing stream and finds a bridge ready at hand to help him over. It is for this reason that in some portions of the district, the neighbourhood of Tellicherry for instance, the roads seem to be almost insufferably tolled, and yet, so far as I am aware, no objection has ever been raised to the tolls on the bridges. They are so great a public convenience that the tolls are paid willingly. There are many bridges in the district which at present are not, and which might equitably be, tolled. Again, the Board will understand from what has been said in paragraph 34 above that most of the inland traffic of the district is still carried on men's shoulders. Even pack bullocks cannot be taken along the rocky tracts which have up to this time done duty as roads. Nor will it be otherwise until a complete net-work, first of main roads and then of village roads, has been prepared. Meanwhile, much of the traffic of the country is at present untolled because foot passengers are allowed to cross the bridges free. It is really no hardship to put a toll of, say, 3 Pies on each foot passenger. The river is there: a man may wade it or swim it if he likes, but if he finds the bridge so great a convenience, and prefers using it, he should certainly, I think, pay toll. If the Board agree with me on these two points, I have little doubt but that an extra revenue of Rupees 10,000 or more could be realized from tolls.

The question of bridge tolls considered and estimated additional revenue Rupees 10,000.

38. As regards the second of these methods of raising additional funds for Communications, the following are the sundry sorts of cultivation, &c., to which I have referred:—

Sundry sorts of landed income should be assessed under Clause iii, Section 38.

Pepper gardens.	Timber and other forest produce.
Ginger.	Some plantain gardens.

I am not very sanguine as to the productiveness of the rate on the land bearing these special products, but there is no doubt that it may fairly be taxed under Clause iii, Section 38, and the amount realized will probably average as much as Rupees 16,000 per annum; more than that I do not expect.

39. Next, as regards Education and Sanitation, there has been spent on the average of the last four years—

Average charges for Education and Sanitation in last four years.

	Rs.
For Education	55,990
„ Sanitation	35,522
Total ..	91,512

40. In respect to Education, the organizing staff has been put on a tolerably sound footing, though more Inspecting Schoolmasters are still required. It will, however, take some years yet before the whole country is brought thoroughly under inspection and control. At present the Educational Officers find a difficulty in spending all the funds allotted to them, and the reason of this seems to me to be that the Inspecting and Controlling agency is at present inadequate. This will, however, be soon remedied, and I anticipate that in a few years a very much larger sum will be spent on elementary and lower middle-class education in the district. The want for such an extension *already* exists: every class of native society (except the very lowest) is crying out for schools and education, and the only questions now are to find the agency to reach the masses and the money to pay for it. I anticipate that in a very few years at least one lakh of Rupees will be required for elementary education alone.

Educational charges must very shortly be largely increased.

41. In respect to Sanitation, we have at present in the district no less than ten hospitals and dispensaries maintained either wholly or in part from Local Funds. Five or six more are still wanted. These will cost on an average, say, Rupees 2,000 each per annum. Vaccination is still insufficiently provided for, and the pay of the Vaccinators should be raised so as to obtain the services of men who cannot only vaccinate but act as itinerating general medical practitioners when an outbreak of an epidemic (such as the one of cholera at present raging) threatens the country. I estimate the future sanitary requirements of the district at half a lakh of Rupees at least.

Sanitation charges will also increase.

42. For Education and Sanitation, therefore, a sum of at least 1½ lakhs will before long be required, and the question is, how can such a sum be raised.

For these two objects 1½ lakhs of Rupees will in a few years be required.

43. I have taken as the minimum grant, which Government will be able to spare this district for these two objects, a sum of Rupees 3,540. I trust that ways and means of increasing that sum will be found, but I will accept it for the present as the basis for my calculations. As I do not propose to allot any of the Special Fund grant or of the Land-cess to these purposes, it will be seen that the income is very limited, viz. :—

To meet these charges the present sources of income altogether insufficient.

	Rs.
The proposed minimum Provincial grant	3,540
Fees in Schools	2,700
Contributions (say)	500
Endowment receipts..	2,300
Miscellaneous (say)	1,000
Total ..	10,040

44. A deficiency of Rupees 1,40000 will, therefore, have to be provided for, and this, I have no hesitation in saying, ought to be done by reviving the house-tax. So far as this district was concerned, I was, and have since continuously been, of opinion that the abolition of the house-tax was a mistake. It may have been inequitably assessed, but that was the result of the haste with which it was introduced; and it was certainly most unfortunate that its introduction followed immediately upon the Census operations, for everybody believed that the Census operations (notwithstanding assurances to the contrary) were a mere necessary preliminary to the work of assessing this particular tax. But beyond these two objections I am not aware of a singe valid argument against the tax as such, and more especially as a means of raising funds for improving the education and health of the people. Two years ago, while at Tellicherry, I was on a Committee of the Local Fund Board which considered this quetion. The Committee consisted of several of the most influential Native gentlemen in the Circle, and the Tahsildars of the sub-division were also present, and the resul was that, after discussing the question in all its bearings, the Committee came to an unanimous opinion that for educational and sanitary purposes a house-tax was he least objectionable way of raising funds. Since that time I have taken every available opportunity of ascertaining what the people think on this question, and thishas been more especially the case during the recent annual settlement of the Ponani and Walluvanad Taluqs. I have never failed to find that, granted the necessity for raising additional funds for these particular purposes, the people are unanimously in favor of the house-tax in preference to any other mode of taxation which can be suggested. My most experienced Revenue Officers all say the same.

The deficiency of Rupees 1,40,000 should be raised by a house-tax.

45. There are (excluding those in Municipal limits) 411,126 houses in this district. The Board will observe* that a calculation was made as to the numbers of houses that would fall under each class of the Local Fund Act Schedule in the old rate school Circles of Chattamangalam in Calicut Taluq, Manjeri in Ernad Taluq, and Angadipuram in Walluvanad Taluq, which may be taken as fairly representative

All the houses in the district classified under the Schedule of the Act.

* Board's Proceedings, No. 2,851, dated 14th July 1871.

portions of the rest of the district; and the Board will find that the figures given in the above-quoted Proceedings show that the following are the average percentages of the six classes of houses and the numbers of the houses under each class in the whole district, and that assessed at the schedule rates the house tax will yield the sum shown opposite to each class of houses :—

——	Value.	Percentages.	Houses.	Schedule Rates.	
				Rs. A. P.	Rs.
1st Class	Rs. 1,000 and upwards.	·70	2,878	at 5 0 0 =	14,390
2nd ,, ...	,, 500 to 1,000 ..	·83	3,412	at 3 0 0 =	10,236
3rd ,, ...	,, 200 to 500 ..	3·64	14,965	at 2 0 0 =	29,930
4th ,, ...	,, 100 to 200 ..	7·05	28,984	at 1 0 0 =	28,984
5th ,, ...	,, 50 to 100 ..	11·99	49,294	at 0 8 0 =	24,647
6th ,, ...	Under Rupees 50 ..	75·79	3,11,593	at 0 4 0 =	77,898
Total ..	..	100·00	4,11,126	....	=1,86,085

46. These figures seem to me to give an exceedingly reasonable basis for calculating what a house-tax would produce. The Board will observe that over 75 per cent. of the houses appear in the lowest class. I would not (at any rate for the present) propose to assess that class at all: it might be considered subsequently, when the lowest classes of the population evince a desire for education. Excluding them it is reasonable to presume that an assessment on the first five classes would yield enough both for education and sanitation for many years to come. The figures show that Rupees 1,08,187 would be thus realized. My Sheristadar, basing his calculations on different data, considered that Rupees 1,20,000 might be expected, and, when it is remembered that the old Moturpha tax on houses and shops fetched in the last year of its existence (Fasli 1271) Rupees 94,308, assessed on about *half* the number of houses, &c., now ascertained to be in existence, I think there need be no fear that, even excluding from taxation more than 75 per cent. of the houses, the schedule rate on the rest will bring in, at least approximately, the sum required. This sum would certainly, I think, exceed Rupees 1,10,000, and might possibly aggregate as much as Rupees 1,50,000.

These figures give a reliable basis for calculating productiveness of house-tax, and a tax on the first five classes will supply sufficient funds for many years to come for education and sanitation.

47. As, however, the educational and sanitary charges at present amount to only Rupees 91,000, and the income from other sources amounts to Rupees 10,000, I would *at first* propose to assess only the first four classes of houses, which, according to the above figures, should yield Rupees 83,000. As the benefits of education, &c., are extended and gradually reach a lower and lower stratum of society the other two classes should be assessed.

At first it is proposed to assess only the first four classes of houses.

48. It only remains for me to sum up the contents of this letter, which I find has run to a greater length than I anticipated. I maintain that the words "land held direct from Government under a Ryotwari settlement" are applicable to the case of the assessed lands in this district, though not to the unassessed lands. But, if the Board should not agree with me on that point, then I maintain that the assessment of

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the Local Fund land rate under Clause iii, Section 38, would be not only most difficult to carry out in practice, but so liable to be misunderstood and so oppressive to the tenants that the operation would be attended with political danger. And the letter winds up with certain proposals for relieving Provincial Funds, which may be shortly stated to be:—The Government should fix for each Circle certain *minimum* grants from Provincial Funds for Communications, Education, and Sanitation, and these grants should not be liable to variation as at present. Having fixed these minimum grants I would propose to levy the additional funds required in this district for Communications by increasing the revenue from bridge tolls, and by also assessing under Clause iii, Section 38, such "occupied land" as is at present unassessed; and I would also propose to levy the additional funds required for Education and Sanitation by reviving the house-tax and levying the schedule rates on the first four classes of houses, and as the benefits derived therefrom reached a lower and lower stratum of society I would propose to extend the assessment to the great bulk of houses in the district, which at present fall under the fifth and sixth of the schedule classes.

ENCLOSURES Nos. 1 and 2.—Statements.

THE inadequacy of the funds raised in Malabar under the Local Funds Act to meet the most pressing requirements of the district having led the Government to consider the best means of supplementing the deficient resources of the Local Fund Boards, the Revenue Board were called upon in G.O., dated 8th October 1875, No. 1,986, to consider the propriety of treating the tenure as proprietary and levying the Land-cess under Clause iii, Section 38, of the Local Funds Act, with a view to imposing on landlords their proportionate burden of local cess.

2. In his letter above recorded the Collector submits his views on the question and argues that the settlement of the district is Ryotwari, so far as the assessed lands are concerned, though the tenure of the unassessed lands may be treated as Proprietary, and that the proposed assessment of the local rate under Clause iii, Section 38, of the Act, is beset with difficulties and would entail as much delay, cost, and trouble as an entirely new Revenue settlement, whilst the attempt would be fraught with political danger. He then proceeds to consider how Provincial Funds can best be relieved, and proposes to supplement the deficiency in the revenues by the more extensive levy of bridge tolls, the assessment of all sundry sources of income from land at present untaxed, and the revival of the house tax.

3. As regards the question whether Malabar is a Ryotwari or Proprietary district, it seems to the Board that it may be regarded in either light from different points of view. In one sense it is certainly Ryotwari, the Revenue settlement having been made with individual holders for the tax payable on occupation of distinct fields or areas cultivated with rice, oil-seeds, &c., and for the tree-tax payable on cocoanuts, areca, and jack trees. It is true that the assessments fixed on wet lands distinctly left a landlord's share under the tenant's expenses of cultivation, whilst the rates of tree-tax, though estimated at the time of settlement to amount to about one-third of the gross produce, in reality came to considerably less, and from the operation of various causes since certainly do not now reach anything like that proportion. In some sense, therefore, the settlement partakes

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of the nature of a Proprietary settlement, in that it contemplated a share of the produce going to a proprietor whilst the character of the land tenure is certainly Proprietary. The main distinction, however, between Ryotwari and Proprietary settlements is that under the former the rates are liable to revision by Government, whereas under the latter the assessment or peishcush is fixed for ever. In Malabar, the settlement is clearly open to revision, and from this point of view the district must be regarded as Ryotwari; to treat it otherwise might possibly place obstacles in the way of resettlement and preclude the possibility of assessing waste and unassessed lands.

4. Moreover, the district has always been treated, as regards Revenue administration, as if the settlement were Ryotwari, and, whether rightly or wrongly, it has been hitherto so treated for the purposes of the Local Fund Act. The probable result of this treatment as regards the finances of the Boards was brought to notice at the outset, but it was considered by both the Board and Government that a legislative enactment would be necessary to give effect to such a proposal as that now made (*vide* G.O., 17th August 1871, No. 342), and there can be little doubt that the Legislature contemplated the interpretation which has always been placed on the Act. Of course, no objection to the hitherto current interpretation has been taken by the landholders, and, apart from the question of the legality of treating the district as other than Ryotwari, it certainly seems undesirable, under the circumstances, to settle a somewhat doubtful question summarily, when there would be so much ground for adverse criticism as to the impartiality of the judges, if the result is to remove the district from the operation of Clause i, Section 38, of the Local Fund Act, and bring it under Clause iii of the same section.

5. Even were the step taken, it seems to the Board that the further procedure under the Act as it stands would be by no means clear; questions would arise as to the person from whom the local rate levied on the rent of the land should be demanded, *i.e.*, whether from the Jenmi or landlord, or from the tenant, and as to the position of the Kanomkars: looking at the Interpretation Clause and Sections 47, 48, &c., of the Act, it would be a difficult matter to settle these points. Comparatively little of the land in Malabar is held by the landlords themselves; the Board presume, however, that they would have to be considered landholders and must be looked to for payment of the local rate if levied under Clause iii, Section 38, of the Act. But the Jenmis are often men of straw; they may still hold the Jenm or Proprietary right, but practically this in a great number of cases has dwindled down to nothing tangible under various forms of mortgage. The Kanomkars or mortgagees really enjoy the whole current rental of the lands they occupy in consideration of sums of money advanced; they probably pay the Government assessment, and any measure that required demand of rates connected with the land from any but the occupiers would be simply impracticable.

6. Mr. Logan, moreover, shows that there is good reason to believe that in some parts of the district rack-renting prevails to such an extent that the tenants cannot bear any fresh burdens, and that any attempt to impose them, besides being in itself unfair, is likely to provoke manifestations of discontent. He also points to the absence of reliable accounts for the determination of the rental, the vast number of landholders to be dealt with, and shows conclusively, in the Board's opinion, that the time required to make the assessments equitably would suffice for a resettlement of the district,

whilst the latter course would be more satisfactory as the settlement would be conducted on a uniform system.

7. The Board believe that the difficulties just indicated are no imaginary ones, and that if Malabar is to be considered as other than Ryotwari, and if local rates are to be levied on the rental instead of the assessment, further legislation is certainly desirable. The Local Fund Act aims at providing for a number of objects, treating the Presidency as a whole, and, as no special provisions have been made to meet varying and special conditions and circumstances in different districts, it is not matter for surprise if it is found difficult or impossible to work it satisfactorily in so peculiar a district as Malabar.

8. To fix the rent value in Malabar at a sum equal to twice the assessment as originally proposed (*vide* G.O., dated 17th May 1871, No. 652), is a measure which does not commend itself to the Board, for, though the Government assessment in Malabar is seldom high even in individual cases and is moderate on the average, it is unequal in its incidence—a matter of comparatively little import when the existing state of things has been of long continuance, but conclusive against making the unequal rates a foundation for the imposition and regulation of further taxation. And here the Board would remark that it is strange that in papers treating of the application of the Local Fund Act to Malabar the lowness of the assessment is dwelt upon with much urgency, whereas the circumstance that Government is at no expense whatever in supplying the rice lands of Malabar with water is altogether unnoticed in comparing the assessments there prevailing with those of other districts in this Presidency. Mr. Logan draws special attention to this point and urges that, as the land revenue in Malabar is *net*, the district is entitled to a "further share of the Provincial grant for roads equalling, or at least approximating to the grant for irrigation works in other districts, because roads and canals are approximately of the same importance in developing the resources of Malabar as tanks and irrigation works are elsewhere." The argument is not of much force, however, because the apportionment of the outlay of Government money amongst the several districts is regulated rather by the necessities of each than by the revenue derived therefrom, and, as a matter of fact, Malabar has been exceptionally favorably treated in the distribution of the Provincial grant, as stated at paragraph 17 of the Government Order under reply, and shown by the figures marginally noted.

Years.	Grants from Provincial Funds for Roads.	Allotment to Malabar.	Percentage.
	rs.	rs.	
1874-75 ..	11,12,678	1,90,560	17·12
1875-76 ..	10,61,610	1,81,740	17·12
1876-77 ..	7,59,640	1,38,190	18·19

9. To return to the question of the method of rating the land-cess; if more money must be raised for local purposes, and it is determined to raise it by an increased local rate on the land, the Board deprecate either taking measures to charge an increased rate based on the existing assessments or the attempt to levy a rate under Clause III, Section 38, of the present Act, on the assumption that Malabar is not a Ryotwari district. The interests of the district may require that the rating should be based on the rental, but the Board fear that any endeavor to do this under the existing law must end in failure. They would suggest, therefore, that either the present Local Fund Act be amended or a brief fresh enactment be passed to enable Government to take steps on definite principles and in a systematic manner to ascertain with fair approximation the real rent value of the land and to assess a fair local rate thereon. This might be made demandable from the individual, whether landlord or tenant, who pays the Government assessment. The terms landlord and tenant must be defined so as to leave no doubt as to the class to which different descriptions of landholders are to be considered to belong for the purposes of rating, and provision would have to be made for the eventual apportionment of the burden between landlord and tenant, whoever paid the rate in the first instance; the procedure for ascertaining the rental should also be more clearly defined than is the case in Section 40 *et seq.* of the present Act. The Board think the assistance of Assessors should be freely availed of when rental returns are questioned, and would make this a prominent feature of the measure.

10. The provisions of the enactment would no doubt require very careful consideration, and some time must elapse before it could be brought into operation; but, if careful attention is paid to the peculiar circumstances of the district, the Board see no reason why a scheme that would produce ample local funds should not be introduced, and they believe that, if the people are given to understand that the proceeds will be rigorously and judiciously applied locally, it would not meet with any unreasonable amount of opposition.

11. It remains to consider how funds can best be raised to meet present requirements. As all revenues from Customs and Excise are otherwise appropriated, the imposition of miscellaneous taxes, and, save a cess on land, there are few other available sources of local revenue except house rates and tolls. The house-tax has been abandoned as a general source of local taxation, but the Board are convinced that, as regards the Malabar District at any rate, a house-tax is one of the least objectionable forms in which local funds can be raised, and the assessment of house rates throughout the rural parts of the district would be a valuable assistance, provided the demand could be divested of the condition that a school must necessarily be established wherever the rate is assessed; the proceeds should be available for all purposes, including, of course, education among others. The fact that advantage was taken of the voluntary school-cess more extensively in Malabar than anywhere else shows that the people do not object to tax themselves in this form, and there is apparently a wide consensus of native opinion in favor of this mode of taxation. If the lower classes are exempted, as proposed by Mr. Logan, the revival of the tax is not likely to be seriously objected to.

12. As regards tolls, the Board observe that from the circumstances of the province tolls in Malabar are a most legitimate source of local revenue, and from the physical features of the country they can be worked to great advantage. On bridges and on ghauts they should, wherever such is not already the case, be extended to foot passengers, who are saved from the risk and expenses of the ferry-crossing, or the enormous labor and even danger of the old hill ascents. Before bridges were constructed all foot passengers had to pay for crossing at the ferries, and where there were none the streams were not passable except at the risk of life. There is no difficulty on the score of legality as the tolls in Malabar are not levied under Act IV of 1871

but under Act XV of 1864 (*vide* G.Os., dated 17th August 1871, No. 342, 25th March 1872, No. 366, and 18th June 1873, No. 856). The proposal to extend tolls to the bridges not now tolled is warranted by the same considerations, and the fact that, although numerous, tolls excite no opposition shows that the reasonableness of the tax is recognized by the people.

13. The imposition of a local rate on unassessed lands bearing special products now untaxed is unobjectionable, but the Board are not sure that it can be done under the present Act.

14. Mr. Logan estimates the future annual requirements of the district at four-and-a-half lakhs under the head Communications and at one-and-a-half lakhs under the heads Education and Sanitation. He shows that the average receipts of the two Circles from all sources during the last four years have amounted to Rupees 5,35,933 and the average charges to Rupees 5,37,900, distributed as marginally exhibited. Taking the average annual Provincial grant for roads for the last five years, viz., Rupees 1,80,000 or thereabouts, as the sum which may be relied on for the future and crediting the whole of the Land-cess to Communications, Mr. Logan estimates the assets available for Communications at Rupees 4,24,000 and proposes to meet the difference between that amount and the sum required, four-and-a-half lakhs, by bridge tolls, from which an additional revenue of Rupees 10,000 per annum is anticipated, and by a tax on land producing special products estimated to yield Rupees 16,000. The income which may be relied on for the future from present sources under the heads Education and Sanitation are set down at not more than Rupees 10,000, assuming that the existing Provincial grant for these purposes will be distributed equally among the several Circles in future instead of the bulk of it being allotted to Malabar. The deficiency to be met is calculated to amount to Rupees 1,40,000, which Mr. Logan proposes to raise by means of a house-tax, and he estimates that such a tax assessed at the schedule rates will yield a sum of Rupees 1,86,085, so that, excluding the houses placed in the lowest class from the operation of the tax, a sum sufficient to meet all present requirements may fairly be expected from this source.

	Rs.
Communications	4,41,553
Education	55,990
Sanitation	35,522
Miscellaneous	4,835
Total..	5,37,900

15. Mr. Logan urges that a *minimum* Provincial grant should be guaranteed, so that the Circle Boards may know with some accuracy what sum has to be realized from local taxation, and his calculations are based on expectations of continued assistance from Provincial Funds, which the Board have reason to believe will not be realized, at any rate to the extent supposed. Malabar already receives more than its fair share of the Provincial grant for roads, and there is no probability that so large a sum as that for which credit has been taken in the calculation will be available for allotment in future years, as shown by the recent determination to reduce the Provincial grant to Local Funds for the current year by five lakhs of Rupees.

16. It seems clear, therefore, that in estimating the assets available for communications too much dependence has been placed on Government aid, and, as the extent to which the Road Fund can be supplemented by toll receipts is limited, there seems to be no other course open than to resort to some means by which the Land-cess may be made to yield an enhanced income. As already stated, the Board think that some scheme

might be devised which would secure this object without causing serious discontent, and that special legislation is requisite.

17. To sum up, the Board earnestly deprecate any attempt to assess the local rate on the rental under Clause iii, Section 38, of the present Act; they are of opinion that special legislation is desirable if the necessity for rendering the Land-cess more productive is deemed paramount, and they consider that to meet the present requirements recourse should be had to the more extensive levy of tolls, the assessment of unassessed occupied land, and the imposition of a house-tax throughout the rural parts of the district.

18. In submitting these Proceedings the Board desire to state that their recommendations are based in the main on a memorandum recorded by the 3rd Member, Mr. Ballard, before his departure for England, as they consider that the fact that the views of two officers so intimately acquainted with the district, and so competent to offer an opinion as Mr. Ballard and Mr. Logan are so much in accord, is of importance in the discussion of a question in the decision of which local knowledge must necessarily carry great weight.

(A true Copy and Extract.)

(Signed) E. GIBSON,
Acting Sub-Secretary.

No. 142.

No. 143.

No. 144. ORDER THEREON, 10th March 1877, No. 891.

The first question at issue in the papers above recorded is, Whether land in Malabar falls under the definition "lands held direct from the Government under a Ryotwari settlement" (Clause i, Section 38, Local Fund Act) or "held on any other tenure" (Clause iii *idem*). In the one case the Land-cess for local purposes is rated on the assessment payable to Government, in the other on the rent payable to the landlord by his tenants.

2. It does not appear to Government that any condition of "holding direct from the Government" can be traced in the *Jenmom* (birthright) of Malabar. To this day Malabar is a country in which Government does not possess an acre of landed property save what may have devolved by escheat for want of Jenmi, or forfeiture. The proprietors are therefore hereditary Zemindars or landholders, and the *Jenmi*, it seems clear, cannot be considered to hold his land "from the Government" in any sense whatever.

3. If he does not, then certainly no occupant of his land holds direct from the Government. They are, in the strictest sense of the term, holding under one or other of the various tenant devises of the proprietors known to, and regulated by the local land law. So complete is the superiority of the *Jenmom* right that a Government cowle to bring waste land under cultivation or a revenue putta will not protect a Darkhastdar, or a tenant in occupation, against ouster by the proprietor, or enhancement of rent at pleasure. Cowles are always drawn reserving the proprietor's right and recognizing

the ancient conditions. Between all persons not Jenmies and Government, the Jenmi therefore intervenes universally, and Mr. Logan is wrong when he states that there is no middle-man in the landed condition of Malabar.

4. As regards the claim of the State against the land and its assessment and collection, the claim of the State against the land has been to share the landlord's rental, not the occupant's or tiller's profits. As noticed by Mr. Logan, the revenue demand varies greatly in different parts of the country; but this arose mainly from the customary rent (*Jenmi-Patom*) in the district being high or low when the demand was assessed; and subsequent valuations, however made, maintained the demand. The commutations of the valuations made from time to time have further, no doubt, complicated things from this point of view.

5. It may be noticed incidentally that although the garden valuations appear on the surface as so much of the "gross produce," in certain parts of the district, when the assessments were revised, these valuations and assessments are made on the tale of standing trees and not on the land; they are practically made precisely in the same manner as the proprietor's valuation for rent purposes, and recognize the Jenmi's rights to the land and all customary conditions. They are not Ryotwari settlements or assessment. The more recent acreable rent charge on coffee land—like that on Till Modan (highland rice), Yellan (gingelly), and Ponam (Hill cultivation)—in no way affects the Jenmi's position, though paid pretty generally by the tenants, nor introduces a holding from Government by the Planter and cultivator, who are alike tenants by the will and devise of the Jenmi.

6. The Puttadar of Malabar, when that notice of demand, the putta, is issued to a tenant under whatever local device, is in no way whatever in the position of a Puttadar of a Ryotwari district on the other coast (paragraph 10). The State demand exists against the land; the land is the security and, if the Jenmi has permitted the putta to issue to the tenant, could possibly be sold free of all incumbrances; if the Jenmi has not come forward, as he has an undoubted right to do, and relieve his property and his tenant, which he generally does. But the tenant is in no other position than that of a Zemindar's tenant whom his landlord for convenience might permit to pay the State demand against his tenant's farm.

7. Although the State does not now take a share of the proprietor's profits from certain crops grown on his property almost universally by tenantry; this is because these crops did not belong to the category of assessed crops in the first settlement, and the Jenmi now monopolizes the whole rent derivable from his tenants, so that the difficulty of assessing them now lies in the main in taxing the tenant in addition to the rent, without killing the industry. The fact is, therefore, that the Jenmi of Malabar is the independent hereditary owner of all property and the tenant is not a ryot holding under a Ryotwari settlement.

8. It may be well now to consider the probable source of this misapprehension which underlies, as it appears to Government, Mr. Logan's reasoning on the basis that the tenant of Malabar is a ryot holding under Ryotwari settlements as respects the revenue demand. Of course, there are a large and now increasing number of Jenmies who pay the assessment of the cultivated land on their property by whomsoever occupied, who are reducing their tenantry to the position of tenants-at-will (Virompatokaras) and levy a rack-rent discharging all State dues. For the present they may be left out of consideration. As to the tenants paying the revenue demand, when

the Moslem settlement—based, as before noticed on Jenmis' rent-roll—was introduced the great Hindoo proprietors were in forced exile; the smaller proprietors desired to have as little to do with Tippu's Collectors as possible; and it was convenient to leave the payment of the demand to the tenantry on the one side, and to look to the resident cultivators for its collection on the other; and as a matter of practice, this arrangement became very general; it was unavoidable under the circumstances, mortgage deeds, fines and advances of rent (Kanom) and leases (Patom) thus generally came to run in the same course, viz., that the tenants should clear the taxes. On the cession the British Government found this condition which, it is to be remarked, does not alter the principle; its convenience commended it on both sides, and to this day a large proportion of the tenantry of Malabar pay the taxes. Any notice of demand payable on their tenant holdings—call it putta or anything else—issued, and probably still issues to them, with corresponding receipt for revenue paid. But it is probably not a fact that the proprietor's tenants, who paid the taxes, ever were treated as Puttadars in the usual acceptation of the term. For many years (probably half a century) no annual puttas were issued in Malabar; there was no Jummabandi or inquiry into lease holdings of the proprietors and transfer, &c., of their property; and so little was the Puttadari system in vogue that at one time a large proportion of the land revenue was being recovered from persons unknown to the Revenue records, new lessees or transferees of the proprietors. No doubt considerable progress has since been made in introducing order where there was utter confusion; and probably the Collector is issuing puttas (in this case at least mere notices of demand) to Jenmi's tenantry, which fact alone may have tended to invest these convenient payers of the land revenue, in his mind, with a semblance of a position which they in no way, as it appears to Government, hold either in law or fact.

9. As regards the ascertainment of the rent-roll of the proprietors of Malabar, the duty of returning this devolves, it appears to Government, on the proprietors (Sections 40 and 43), every one of whom can probably read and write, and the vast majority of whom are practised and able managers of their property. The Government do not follow Mr. Logan's difficulty about the definition of land-holders. But, of course, the bulk of the 171,418 persons referred to by him are neither landholders nor *Puttadars;* they are "tenants" in the terms of the definition of the Act.

10. Mr. Logan's observations in paragraphs 22 and 23 are perfectly correct. Law Courts, of course, do not treat Jenmis' tenants as ordinary ryots or Puttadars, much less do they accept them as "landholders."

11. With respect to the observations of the Board on Mr. Logan's letter, the Government would remark that the Revenue settlement was not made with ryots as individuals or as known to the law, nor even with holders of land, but was made on the individual rice *Nelloms* or farms and paddy flats of proprietors whoever the occupant might be and on certain plantations and other crops whoever might chance to be the tenant of the land on which they may be permanently or occasionally grown. The revenual claim is for a share of the landlord's profits and not of those of the so-called "holders." It is, therefore, in no respect a Ryotwari settlement.

12. With reference to paragraph 4, the Government cannot admit that the district of Malabar has ever been treated as a strictly Ryotwari district. It has suited the Collector to look to the tenantry for the collection of his demand. It has suited the

landlord to leave his tenants in the hands of the tax-gatherers and his coercive processes —short of sale of his property—but the tenant has none of the protection which the law gives the ryot when he has met the demand. He cannot claim or obtain from the State one day's assurance of his occupancy.

13. There are practical difficulties in the way of change, and they are not imaginary; nor are they lightened by the past action of the Government in revenual matters as between proprietors and their tenants in Malabar. But the question now before Government is as to the legal status of landed property in the country and its incidents and persons occupying it and their rights and obligations, and the proper principles of taxation. On these points decision has to be come to, and then the people concerned will have a solid basis for the adjustment of difficulties; and, if legislation has to be resorted to, the Legislature will see the direction it must take.

14. With the above observations the Government resolve to remit the papers to the Board of Revenue and the Collector for any further remarks they may have to offer, and they request that when the papers are returned they may be accompanied by a copy of the memorandum referred to in paragraph 18 of the Board's Proceedings as having been left on record by Mr. Ballard before his departure for England.

15. The latter part of the Proceedings of the Board of Revenue and of the Collector's letter deals with the question of raising funds to meet immediate requirements; but the Government are of opinion that, until a decision has been arrived at as to the manner in which the Land-cess is to be levied, the question of maintaining equilibrium between the income and expenditure can be most conveniently considered with the Budget proposal for each year.

16. They think it as well, however, to state distinctly in the present Proceedings that it is quite impossible to hold out the slightest hope of its being practicable to continue a Provincial grant to Malabar of anything approaching the amount (Rupees 1,80,000) specified by Mr. Logan as a minimum. Mr. Logan argues that this would be a fair amount—although very much out of proportion to the grants to other districts—as the land revenue paid by Malabar is *net revenue*, that is to say, the Government are put to little or no expense to construct or maintain works of irrigation as elsewhere, and, though the Board do not think that this argument is sufficient, they consider it strange that this view of the matter should have been overlooked in previous papers. There is no reason, however, why the Government should not share the advantages derived in Malabar from an abundant rain-fall, and, even if this were not the case, the marginal figures will show that no claim to a larger Provincial grant than is given elsewhere can possibly be deduced from the line of argument adopted by the Collector. The comparison of the gross revenue of Malabar with that of North Arcot, South Arcot, Salem, Coimbatore, and Madura is beside the question. North Arcot, Salem, and Coimbatore are inland districts with no revenue from Salt or Sea Customs. South Arcot is a much smaller and less populous district, and neither it nor Madura has anything analogous to the revenue derived in Malabar under those two heads in connection with the trade above the ghauts.

		Acres.
Extent of wet cultivation in all districts except Malabar and Canara	=	2,999,312
		Rs.
Wet assessment and water-tax in all districts except Malabar and Canara		1,67,40,369
Deduct Rupees 22,00,000 referred to by Mr. Logan	22,00,000	
Also 4½ per cent. on Capital outlay of Rupees 1,82,37,550	8,20,689	
		30,20,689
Net Revenue	=	1,37,19,680
Average net wet assessment	= 1,37,19,680 / 29,99,312 =	Rs. 4 9 2
Average do. Malabar	= 11,64,640 / 3,86,430 =	,, 3 0 3

(True Extract.)

Offg. Chief Secretary.

To the Board of Revenue, with two original statements.
,, Collector of Malabar.
,, Accountant-General.
,, Revenue Department.

Exd. A. S. Rodgers.

1877 15

546

Revenue Dept
No 1927

Govt. of [1877] Straits.

FINANCIAL.

To

THE BOARD of REVENUE,
&c. &c.

Dated March, 1877.

Issued 21

Read 26 March.

G.O., 10th March 1877, No. 891.

MARCH.
Nos. 141—144.

Landlords at Malabar.—Printing orders in connection with the assessment of Landlords in Malabar.

No 1893.
Recorded
5 April 1877