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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.	936	Press
~~B/P. No.~~		~~Mis.~~

Dated 13.7.1876. ~~196~~ .

Not to be folded or roughly handled

No. 114. Read the following Proceedings of the Board of Revenue, dated 21st June 1876, No. 1,606 :—

Read the following letter from J. D. B. GRIBBLE, Esq., Acting Collector of Cuddapah, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Madanapally, 20th April 1876, No. 95.

SEVERAL cases have lately been reported by Divisional Officers, in which valuable land is sold for arrears of revenue, and, owing to combination on the part of the family of the defaulter, is purchased at a price far below its value, and below the amount of arrears. It is often difficult, and sometimes impossible, to recover the balance of arrears from other property, and the consequence is, that there are frequently outstanding balances, which eventually have to be written off as irrecoverable.

2. Until recently when there was reason to apprehend a fraudulent combination the sale was cancelled, and a fresh sale ordered; but under recent orders this practice has been discontinued.

3. In order to avoid valuable land being sold for trifling sums, I have the honor to suggest that the officer conducting the sale should be allowed to bid for it on behalf of Government. At present Standing Order No. 273 only empowers the Revenue Inspector to make a nominal bid when there *are no other bidders.* In a case, however, which was recently reported, Rupees 30 were owing for one year's kist on some valuable land. The land was sold and bought in by the son-in-law of the defaulter for Rupees 15. It is possible that there is no other property from which to recover the arrears, and in that case the Government will have been defrauded of the half kist due, but, as the requirements of the law have been fulfilled, nothing can be done.

4. I would suggest that in such cases (the details regarding the value of such lands must be known to the taluq officials previous to a sale), the Revenue Inspector should have authority to bid, on behalf of Government, up to one year's kist, supposing the amount of arrears to be not sooner realized.

5. Under the present system of process servers, there can, as a general rule, be no reason why more than a year's kist should be due, and, if when land is put up for sale, it will not fetch a year's assessment, it would seem that the land must be too highly assessed. In cases where more than a year's assessment is due, the taluq authorities should, I think, as a general rule, be held responsible, since it will mainly have been due to their neglect that so large an amount of arrears will have been allowed to accumulate.

6. Should the Board be pleased to sanction such a rule as the one I propose, it would be necessary to introduce a clause that in the case of *wet lands* bought in by Government, the land should not be made over to a new applicant unless arrears due shall have been paid by him, provided, however, that not more than one year's arrears shall be demanded. If this rule were introduced, the restriction against such land being made over to the defaulter, or his relations might be removed. In many cases I believe this restriction to be at present a dead letter, and in some, where by intrigue amongst village officials, an arrear is allowed to accrue on a land, which is then sold and purchased by a third party at a low price, it acts hardly upon a puttadar, the victim of the intrigue.

7. It would also be necessary to introduce another column into the monthly statement of lands sold for arrears, showing the period over which the arrears extend, and the remark column should show why the land has not fetched a proper price, as, for instance, that it has become *choudi*, or otherwise unfit for cultivation. In those taluqs where the new settlement has been introduced, and land has been carefully classified, there could be little difficulty in checking such a return, and it would, I think, effectually prevent loss to Government by combination on the part of the villagers and connivance on the part of Revenue Inspectors.

To obviate the sale of valuable land attached for arrears of revenue for a price far below its value and the amount of the arrears owing to combination at the auction, the Acting Collector of Cuddapah proposes that, as the Revenue authorities cannot, under existing orders, cancel such sales, the officer conducting the sale should be empowered to bid on behalf of Government up to one year's kist, the taluq authorities being held responsible that arrears are not allowed to accrue to a greater extent. He also suggests that in the case of wet lands bought in by Government, future applicants should be required to pay the arrears due up to one year's assessment.

2. The Board concur in thinking that in cases where there is reason to suspect combination some wider discretion than existing rules allow should be given, but they are not prepared to rule that the arrear not exceeding a year's assessment should be the upset price in every case. Where there is good reason to suspect combination to prevent the value of the land being realized, in such cases, the occurrence of which will probably not be frequent, the officer conducting the sale should be authorized to bid on behalf of Government up to the amount of the arrear not exceeding the annual assessment.

3. As regards the disposal of lands bought in by Government, the Board observe that under Standing Order, No. 269, Collectors are competent to re-sell such lands when the failure of buyers was the result of a combination. In future, however, the Board consider that for whatever reasons lands may be bought in, the Collector should be vested with discretion to re-sell land or demand from subsequent applicants what he may consider the fair value thereof, should the land possess any value, whether it be more or less than the arrear for which the land was bought in.

4. These Proceedings will be submitted for the approval of Government, whereupon the requisite instructions will be issued, and an amended form prescribed.

(A true Copy and Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

No. 115. ORDER THEREON, 13th July 1876, No. 936.

Miscellaneous.

THE Government observe that the rule now followed in the case of lands sold for arrears is, for Government to bid and buy for a nominal value only when there are no bidders, and to resell the land

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Proceedings of the Madras Government, Revenue Department,
13*th July* 1876.

when the failure of bid, in the first instance, was due to combination. It is now brought to notice that, in practice, the Government dues are evaded by combination and by eventual purchase by a third party, not unfrequently a relative of the defaulter, for a price far below the real value of the land, and often less than the arrears due. To remedy the evil, the Board propose (1) to authorise bidding on behalf of Government, even when there are bidders, up to one year's assessment of the land; and (2) to permit resale in *all* cases or demand from future applicants the payment of the full value of the land, even though it may exceed the arrears for which it was sold. The first proposal will have the effect of raising the price of land and check combination to some extent: and the second will secure to Government the full value of the land, of which they have become legitimate owners by purchase at a public auction. It is only fair that, under this arrangement, the present rule, that the land should, in no case, be granted again to the defaulter or any one connected with him, should be cancelled. With these remarks, the Government approve the proposals of the Board of Revenue.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

Copy of Minutes of Consultation of the Board of Revenue, dated 21st July 1876.

REVENUE.

To

THE BOARD OF REVENUE.

Dated July, 13th

Read.

G.O., 13th July 1876, No. 936.

JULY.

Nos. 113-115.

Land attached for Arrears of Revenue in Cuddapah District.—Approving, with remarks, Proposals of the Board of Revenue to obviate sale of — for a price far below its value, amount of arrears owing to combination

No. 1,606.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 21st June 1876.

Read the following letter from J. D. B. GRIBBLE, Esq., Acting Collector of Cuddapah, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, date Madanapally, 20th April 1876, No. 95 :—

SEVERAL cases have lately been reported by Divisional Officers, in which valuable land is sold for arrears of revenue, and, owing to combination on the part of the family of the defaulter, is purchased at a price far below its value, and below the amount of arrears. It is often difficult, and sometimes impossible, to recover the balance of arrears from other property, and the consequence is, that there are frequently outstanding balances, which eventually have to be written off as irrecoverable.

2. Until recently when there was reason to apprehend a fraudulent combination the sale was cancelled, and a fresh sale ordered ; but under recent orders this practice has been discontinued.

3. In order to avoid valuable land being sold for trifling sums, I have the honor to suggest that the officer conducting the sale should be allowed to bid for it on behalf of Government. At present Standing Order No. 273 only empowers the Revenue Inspector to make a nominal bid when there *are no other bidders*. In a case, however, which was recently reported, Rupees 30 were owing for one year's kist on some valuable land. The land was sold and bought in by the son-in-law of the defaulter for Rupees 15. It is possible that there is no other property from which to recover the arrears, and in that case the Government will have been defrauded of the half kist due, but, as the requirements of the law have been fulfilled, nothing can be done.

4. I would suggest that in such cases (the details regarding the value of such lands must be known to the taluq officials previous to a sale), the Revenue Inspector should have authority to bid, on behalf of Government, up to one year's kist, supposing the amount of arrears to be not sooner realized.

5. Under the present system of process servers, there can, as a general rule, be no reason why more than a year's kist should be due, and, if when land is put up for sale, it will not fetch a year's assessment, it would seem that the land must be too highly assessed. In cases where more than a year's assessment is due, the taluq authorities should, I think, as a general rule, be held responsible, since it will mainly have been due to their neglect that so large an amount of arrears will have been allowed to accumulate.

6. Should the Board be pleased to sanction such a rule as the one I propose, it would be necessary to introduce a clause that in the case of *wet lands* bought in by Government, the land should not be made over to a new applicant unless arrears due shall have been paid by him, provided, however, that not more than one year's arrears shall be demanded. If this rule were introduced, the restriction against such land being made over to the defaulter, or his relations might be removed. In many cases I believe this restriction to be at present a dead letter, and in some, where by intrigue amongst village officials, an arrear is allowed to accrue on a land, which is then sold and purchased by a third party at a low price, it acts hardly upon a puttadar, the victim of the intrigue.

7. It would also be necessary to introduce another column into the monthly statement of lands sold for arrears, showing the period over which the arrears extend, and the remark column should show why the land has not fetched a proper price, as, for instance, that it has become *choudi*, or otherwise unfit for cultivation. In those taluqs where the new settlement has been introduced, and land has been carefully classified, there could be little difficulty in checking such a return, and it would, I think, effectually prevent loss to Government by combination on the part of the villagers and connivance on the part of Revenue Inspectors.

To obviate the sale of valuable land attached for arrears of revenue for a price far below its value and the amount of the arrears owing to combination at the auction, the Acting Collector of Cuddapah proposes that, as the Revenue authorities cannot, under existing orders, cancel such sales, the officer conducting the sale should be empowered to bid on behalf of Government up to one year's kist, the taluq authorities being held responsible that arrears are not allowed to accrue to a greater extent. He also suggests that in the case of wet lands bought in by Government, future applicants should be required to pay the arrears due up to one year's assessment.

2. The Board concur in thinking that in cases where there is reason to suspect combination some wider discretion than existing rules allow should be given, but they are not prepared to rule that the arrear not exceeding a year's assessment should be the upset price in every case. Where there is good reason to suspect combination to prevent the value of the land being realized, in such cases, the occurrence of which will probably not be frequent, the officer conducting the sale should be authorized to bid on behalf of Government up to the amount of the arrear not exceeding the annual assessment.

3. As regards the disposal of lands bought in by Government, the Board observe that under Standing Order, No. 269, Collectors are competent to re-sell such lands when the failure of buyers was the result of a combination. In future, however, the Board consider that for whatever reasons lands may be bought in, the Collector should be vested with discretion to re-sell land or demand from subsequent applicants what he may consider the fair value thereof, should the land possess any value, whether it be more or less than the arrear for which the land was bought in.

4. These Proceedings will be submitted for the approval of Government, whereupon the requisite instructions will be issued, and an amended form prescribed.

(A true Copy and Extract.)

Acting Secretary.

To the Secretary to Government, Revenue Department.
,, the Acting Collector of Cuddapah.

Exd. W. J. Lewis.

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No 2757 P. 549

Rec 1876. Depart

Board of Revenue,

MADRAS.

PROCEEDINGS, 21ST JUNE 1876, No. 1,606.

Disp 5 July 1876 Encl.

Received 10 July 1876

JUNE.

No. 1,606.

Land attached for arrears of revenue.—Submitting to Government, for approval, Board's opinion with reference to proposals made by Collector of Cuddapah to obviate sale of — for a price far below its value, and amount of arrears owing to combination at auction.

With Order

No 936 - 13 July 1876

12/July/76 R 13 July

No 936 Dy 13 July 1876

Md 12/7

The Government have ~~that the~~ rule now followed in the case of lands sold for arrears is, for Govt to bid and buy for a nominal value only when there are no bidders and to re-sell the land when the failure of bid in the first instance was due to combination. It is now brought to notice that, in practice, the Govt deals are evaded by combination and by eventual purchase by a third party, not unfrequently a relative of the defaulter, for a price far below the real value of the land and often less than the arrears due. To remedy the evil, the Board propose (1) to authorize bidding on behalf of Govt, even when there are bidders, up to one year's assessment of the land, and (2) to permit re-sale in all cases on demand from future applicants the payment of the full value of the land even though it may exceed the arrears for which it was sold. The first proposal will have the effect of raising the price of land and check combination to some extent: and the second will secure to Govt the full value of the land of which they have become legitimate owners by purchase