

Land Revenue Administration in Modern India (1740-1947)

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ABSTRACT

The land revenue administration in India between 1740 and 1947 played a pivotal role in shaping the socio-economic landscape of the subcontinent. This research paper examines the evolution of revenue policies under successive regimes, from the late Mughal period to British colonial rule, analysing their impact on agrarian society, state power, and economic structures. The late Mughal administration relied on a decentralized revenue system, characterized by intermediary zamindars and regional revenue collectors. However, as British rule expanded, the colonial administration introduced systematic revenue settlements, such as the Permanent Settlement of 1793, the Ryotwari Settlement, and the Mahalwari Settlement. Each of these reforms aimed to stabilize revenue collection but often led to economic exploitation and agrarian distress. The study explores how these systems altered land tenure rights and increased peasant vulnerability. By the early 20th century, growing discontent with exploitative revenue policies became a crucial point of nationalist movements, ending in agrarian agitation and policy reforms. Through a historical analysis of scholarly interpretations, this research provides a refined understanding of the administrative, economic, and political consequences of land revenue policies. It argues that colonial revenue strategies, while efficient in safeguarding state finances, ultimately rooted rural inequality and shaped post-independence land.

Keywords: peasants, cultivator, land revenue, economy, Zamindar, system, talukdar.

ECONOMY IN PRE-BRITISH INDIA (1740-57)

During 18th century, Indian agricultural economy consisted of self-sufficient village units and was identical to the rural economy. Villages produced majority of agricultural commodities and raw materials needed by them and the urban industries respectively. Despite cultivation being conventional, the Indian farmers always accepted suitable new crops like tobacco, indigo, opium, sugarcane and cotton. (Raychoudhary, S.C., 21)

LAND REVENUE SYSTEM

The land belonged to the peasants and the government received a proportion of the produce which was fixed from time to time. Land was not the property of the ruler but solely belonged to a tribe or its sub-division. (Raychoudhary, S.C., 49) The farmer was forever dependent on moneylender for capital and was also in substantial debt, still this system safeguarded him against the seizure of land by the moneylender. The Marathas also had laws against the sales and mortgage of land. Hence, the rural economy was not as impoverished as has been defined in the British documents. It was agonized more due to the land revenue policy adopted by the British. (Raychoudhary, S.C., 21)

In such a pre-capitalist society, the concept of complete ownership of land never exist. All the classes associated with the land possessed certain rights. The cultivator had the right to cultivate and enjoyed the security; the Patil or village headman acted as a *mamlatdar* (collector and also as the magistrate and head farmer) and passed the state demand to the nawab (ruler) which varied between 1/6th to 1/3rd of rental value. According to local practices, in consultation with the village panchayats, the Patil settled the matters regarding cultivation, allotment of land in categories, irrigation facilities, allocation and collection of land revenue, etc. (Grover, 167) Therefore, the complex hierarchy of traditional rights over land can be classified into two broad divisions, the Primary and the Secondary Zamindar. The right of the secondary, intermediary zamindar was solely the collection of land revenue at a superior level and he could also assure more stable form of fiscal landlordship held by a *Taluqdar* or *Muqararidar*. On the other hand, the Primary Zamindar was the landholder having the immediate proprietary dominion over the soil, including a restricted power of mortgage and alienation and the right to locate cultivators, control the waste sink, wells and plant groups. He was classically a petty notable who exercised direct control over the cultivators of one or more villages in which he was recognized, by

custom and Mughal administrative law, as the owner of an alienable proprietary right. These primary zamindars were known variously in different regions like *Patidars*, *Biswadars* or *Maliks*, and were generally found settled as dominant lineages in a number of *Pontigus* villages which were often grouped into lineage *Tappas* or *Paraganas*, ranging from 2 or 3 villages up to 84 or more. (Kumar, 37)

Landed classes can also be classified by the type of land rights held. There were two types of rights in pre-colonial India—the revenue collection and the right to property. The former kind was concerned with the State. Many a times certain portions of land were leased out by auction to the highest bidders, which was called revenue farming. This revenue farming became popular when the authority of the ruling power over their subjects got weakened. (Roy, 22) Well-known contractors and subcontractors were known *zamindars* and *taluqdars* in Bengal and Awadh. They held revenue collection rights from many generations and held hereditary positions in the courts. In the 18th century, due to the growth of revenue farming other families rose. Because of this, when the British began to restructure the revenue system, land control was vested not only in the hands of the old nobility but also with many great tax farmers of this kind who were rich or were former officials who had bid successfully in the revenue auctions.

In general, the pre-British zamindar held administrative rights apart from the collection of revenue. The zamindari charter was non-hereditary in theory but hereditary in practice. However, this concept of zamindar was rare in other parts of the country. In Andhra, *poligars* were the warrior chieftains. In Gujarat, the area surrounding Ahmedabad were having local chiefs who were known as *taluqdars*. Such people strengthen their role over the land when the regional ruling power weakened. (Roy, 23)

Under Later Mughals

The village was the primary unit of land revenue. The cultivable land was divided into plots and there was an average of 1000 bighas of arable land in a village. The *talluqa* villages were held by a zamindar who paid tribute either individually or through a body of zamindars collectively on behalf of the rest. The Ryoti villages were outside the dominion of tribute-paying zamindars and was subject to standard revenue regulation. (Kumar, 10-1)

During the reign of the later Mughals, political instability and multiple invasions reduced the quantum of production, but the fertility remained as before. Though the rulers and dynasties changed, the village communities and land ownership system remained the same, as observed by the Europeans, evident in the remark, “*they lasted when nothing else seemed to last.*” (Grover, 20) The Emperor was considered the owner of all the land in India, so obviously he appropriated the rent of the soil. The Mughal tax called *Mal* was not a land tax but a tax on the crop. *Mal* represented a claim on behalf of the state to a share of the actual crop. A simple sharing of the harvested grain took place, one share being left to the revenue payer and the other kept for the state or its assignee. (Raychoudhuri, T., 235) A system of assessment prevailing was *Kunkut* in which, instead of actually dividing the grain, an estimate was made by working out the yield per unit of area at the current harvest and multiplying it by the total area under the particular crop for obtaining the total produce of the crop. Then, the quantity claimed in tax could be fixed in accordance with the proportion between the tax and the produce.

Later on, this *Kunkut* system became transformed into *Jabti* system. *Jabt* means measurement. Under this system, the assessor had simply to measure the land sown with each crop. With the standard schedule of yield in his hand, he could tell the revenue payers well in advance of the harvest and how much in kind they have to pay. (Raychoudhuri, T., 236) During the reign of Jahandar Shah (r. 1712-13), Zulfiqar Khan, the wazir, was virtually the head of the administration. In an attempt to improve the finances of the Empire, he encouraged an evil inclination towards *ijarah* or revenue farming. In this, instead of collecting land revenue at a fixed rate, as under Todermal's land revenue settlement, the government began to contract with revenue farmers and middle men to pay the authorities a fixed quantity of money, whilst they were left unfastened to accumulate whatever they could from the peasant. This was a terrible method as it increased tyranny on the peasant. (Chandra, 3-4) The financial position of the state deteriorated rapidly during the regency of Syed Brothers (r. 1710-20). By now, the zamindars and rebellious factors refused to pay land sales, officers misappropriated state revenues, and imperative earnings declined due to the unfold of sales farming, ensuing in the non-payment of regular salaries to the officials and soldiers. (Chandra, 5) Powerful zamindars carved out *taluqdaris* and rich bankers emerged as absentee landlords. By the time Mohammed Shah (r. 1719-48) came to the throne, all *Khalisa* lands had been assigned away. The revenue paying smaller zamindars in the imperial territory suffered severely at the hands of the local officials. The extreme exactions by the *Ijarahdars* ruined widespread areas. (Kumar, 6)

The invasion of Nadir Shah in 1739 inflicted immense damage on the Mughal Empire. The invasion ruined imperial budget and adversely affected the monetary lifestyles of the country. The impoverished nobles began to persistently oppress the peasantry even more in an effort to recover their lost fortunes. They fought each other over wealthy jagirs and high workplaces extra desperately. (Chandra, 8) The subsequent years after the invasion saw further deterioration of the economic state of the Mughal Empire. The outlying provinces declared their independence and stopped the payment of revenue to the Centre. Then the Emperors improvidently devised of farming out of *Khalisa* (crown) lands and granted jagirs in payment of insolvency of debts of pay. But the crisis of Jagirdari occurred when the total number of jagirs granted exceeded the land in the country. Most of the time the recipient had to wait for long to get the actual

possession of their land after the grant of jagir. It is apparent from a mocking remark of a distressed grantee that the time-gap between the grant of jagir and its actual possession was long enough to turn a boy into a grey-haired person. Jagirdar usually farmed their jagirs to the moneylenders because of their indebtedness. (Grover, 15)

In the 18th century North India, the farms were held for indefinite periods. Perhaps no other arrangement was possible, the revenue administration ceased to be effective and the assignments lost their popularity. These farms were transmitted by inheritance and the annual payments were to be repeated from year to year. Unlike Bengal, where the fixed basic payment was supplemented by adjustable sessions, in North India, both parties regarded the amount to be paid as variable which should be increased or decreased as the circumstances permitted, while the farmers look forward to the time when he might be strong enough to refuse payment and thereby establish himself as an independent ruler. (Haig, 473-4) Meanwhile, the other independent rulers and Hindu chiefs who had traditional claims to the sovereignty asserted their claims whenever a suitable opportunity offered. Such conditions were fulfilled in the 18th century when the old families were too busy in strengthening their positions by taking the farms of adjoining territories. Thus, various classes emerged—chiefs and farmers, adventurers and grantees—who established authority over a local area where the peasants should be willing to pay revenue in return for some measure of protection which the Empire could no longer provide. (Haig, 474)

Bengal

By the end of the 18th century, the practice of assignment began to decline. The revenue ministry adopted the practice of farming out the areas reserved for the treasury. In Bengal, the collectors in the reserved areas were to pay a definite sum of revenue for their circles, instead of accounting for the money actually received from the peasants. The sum to be paid did not varied from year to year and was fixed. The collector farmers retained their circles indefinitely and were allowed to transmit them to their heirs, as long as the revenue was duly paid. In such a way their position was now indistinguishable from that of the existing chiefs, and the two classes were eventually described locally by the single name of landholder zamindar. (Haig, 472-3)

Alivardi Khan, the Nawab of Bengal (r. 1740-56), imposed new taxes to make up for the loss of Odisha and for meeting the cost of insurrections and new monuments. These taxes ruined both the ryots and the zamindars. In 1740s and 1750s, the prices increased by 30% and the production suffered from these extreme exactions.

Carnatic

The Nawab of Carnatic was concerned only with the maximization of revenue and so he assigned revenues to his creditors and arbitrary administration of revenue by the local chieftains in most of the areas. They often found out the right to collect. The assessment was raised to reunite levels and further enhanced by imposition of imposts. (Kumar, 6)

Under the Marathas

In the Maratha territory, 4 categories of agricultural land existed—*miras*, *inam*, state land and waste land. Complete private ownership was recognised in *miras* and *inam* lands. Imposition upon *miras* land was paid by the *mirasdars* to the state and was called *sara* (land tax), while upon the *inam* lands was paid by tenants to the *inamdars* and was called *dhara* (rent). (Raychoudhuri, T., 256) As in South India, 50% of gross produce off irrigated land and 1/3rd off dry land was the usual rate in these lands. Actual collection was almost invariably less than the stated rate and the revenue system had a history of remissions and rescheduling in times of stress. A good deal of revenue remained in the village itself. A regime of high revenue benefited those who had some role in state offices, but the burden of taxation on the poor cultivators was a heavy one. It removed the bulk of the surplus over subsistence needs. (Roy, 25)

Under the regime of Balaji Baji Rao as Peshwa (r. 1740-61), his cousin Sadashiv Rao was the Chief Minister or *Amatya*. Sadashiv Rao, in turn, appointed Ballobha Manduwaguni as the revenue collector. He was a very able man and introduced a number of sweeping reforms. He forced the collectors to produce their accounts. Abuses in revenue collections were checked and villages were encouraged to resist the exactions of every petty Officer who tried to blackmail them. Each village was a tiny republic which was administered by the headman, who was assisted by the accountant and the other village officers. Over the headman was a Sub-Collector and over him was the Collector who had armed irregulars to assist in keeping order. (Haig, 414)

The land revenue was the main source of income for the Peshwas and they preferred grant of land on long lease on a fixed state demand. The newly brought land under cultivation was lightly taxed to encourage more the cultivators to bring more land under cultivation. Madhav Rao II (r. 1774-95) announced that for bringing waste and rocky land under cultivation, half of such land would be given in *inam* and for the rest rent-free concessions were offered for 20 years and reduced taxes for another 5 years. Land revenue reductions were granted in times of famines, droughts, plunder or failure of crops. The state granted *tagai* loans at low rates of interest for saving the cultivator from the clutches of moneylender. (Grover, 37) Thus, the Maratha revenue system was based on the principle of security of the tax-payer. However, this exceptional system was distressed by Baji Rao II (r. 1796-1818) who resorted to the system of revenue-farming to the highest bidder.

Other state income sources were *Chauth* (25%) and *Sardeshmukhi* (10%) of the total tax collection of territories overrun by the Marathas. The income from *Chauth* was traditionally divided into— *Babti* (25%) for Raja, *Sahotra* (6%) reserved for the Pant Sachiv, *Nadgaunda* (3%) left to the discretion of the King and *Mokasa* (66%) divided among the Maratha Sardars for maintaining troops. After the annexation of the territories paying these taxes (35%), the remaining 65% was the Jagir and granted in varying proportions to different individuals. (Grover, 38)

Mysore under Tipu Sultan (r. 1782-99)

The revenue administration of Haider Ali was continued under the regime of his son and successor, Tipu Sultan. He established a direct relationship between the Government and the cultivator by discouraging the Jagirdari system, by recommencing unauthorised *inam* (rent free) lands and by seizing the hereditary land rights of the zamindars. Method of inducement-cum-force were employed to bring more land under cultivation. The *Amil*, incharge of the district, toured his district and sanctioned *taqavi* (loans) to the needy for the acquisition of ploughs and extending cultivation. If the *Amil* found that in a household there were not enough ploughs, he urged the head of the family to acquire more. In case of insubordination and if *Amil* was contented that there was more ground fit for cultivation in a village than under actual plough, then, as a punitive measure, he could charge the land tax cultivated on the basis of all cultivable land and not the land under actual cultivation.

The land revenue demand of the state ranged from 1-3rd to half of the total produce, depending on the productiveness of the land and accessibility of irrigation amenities. In 1792, the state income from revenue was over 2 crores (later reduced to half after the Treaty of Seringapatam in 1792). To cover up this loss, Tipu increased the assessment by 37.5% over pre-1792 rates. (Grover, 105)

Punjab under Maharaja Ranjit Singh (1801-39)

Land revenue was the main source of state income. The demand was fixed between 33% and 40%, depending upon the productivity and richness of the soil. But the revenue was collected with great severity and Maharaja “squeezed out of the unhappy peasant every rupee that he could be made to disgorge” but care not “to kill the goose that lay the golden egg.” (Grover, 143) Moreover, the Maharaja issued instructions to the marching armies not to destroy standing crops or damage them. Sikh army also provided sufficient prospects to the sons of peasantry. Though the taxation was heavy, the government gave back with one hand what it had already taken. The employees of the state were numerous and every village sent recruits for the army, who again remitted their savings to their homes. Most of the highly taxed villages paid half of its revenue from its military earnings, thus the money circulated freely. In theory the land tax was 1/2 the gross produce, but in practice it varied from 2-5th to 1/3rd of the gross produce. This proportion prevailed in all the provinces the Sikhs had fully conquered and which were fairly cultivated. It was enforced in all their Cis-Indus possessions. Moreover, land tax was not raised in money but in kind. In such a case, the cultivators were not called upon to pay a fixed and incontrovertible sum when their harvest had failed, nor were they required in years of low prices to pay a revenue calculated on the basis of high prices. (Dutt 1908, 83)

For the collection of revenue, men of courage and high capacity were deputed to the remoter districts. They were armed with an absolute and official power. Peshawar was under General Avitabile and the mountainous regions of Hazara were under Hari Singh. In and around the areas of Lahore, Kardars or agents were employed to collect the revenue. (Dutt 1908, 82)

Thus, varied kind of systems prevailed in different regions of India at the time when British obtained *Diwani* in 1765. Overall, the peasantry or the ryots cultivated their land and paid a fixed share to the collectors. After deducting their approved expenditure, the latter deposited the collected revenue with the Central Government. As the Central Government was considerably weakened by that time, the regional officers established themselves as the *de facto* rulers of their respective jurisdiction. Subsequently, their junior officers began behaving in the same manner and eventually the revenue collectors became zamindars. (Raychaudhary, S.C, 47) However, with the coming of the British, farmers were not allowed to cultivate more than their needs, resulting in the deterioration of their economic condition in the absence of any surplus. (Raychaudhary, S.C, 21) It is undeniable that British had inherited a rich and prosperous country and within a century reduced it to pauperess.

DURING COMPANY’S RULE (1757-1857)

After 1757, the prosperity and richness of Bengal declined rapidly. The Court of Directors of the East India Company described it as “a scene of the most tyrannic and oppressive conduct that ever was known to any age or country.” (Raychaudhary, S.C, 45) From traders to cultivators, everyone suffered under the reign of force of the English traders. Because of such oppression, the cultivator could never be certain that whether he will be left in possession of the harvest he had sown or about the incentive to put more labour and capital into the land. He did not hold the confidence of cultivating a larger area for obtaining a surplus value.

One of the most important aspects of British government in India was Land revenue. In order to run the administration, they needed resources, thus, they devoted their attention in reorganising the land revenue system. (Raychaudhary, S.C,

21) Initially, the company adopted the land revenue system of its predecessor and did exactly what they used to do accept that the company was more exacting in collecting what they assessed. It evident in Orissa province, where the land revenue yield was ₹4 lakh per annum when conquered by the Marathas but the Company managed to collect ₹7,50,000 annually when it took over the province. (Rothermund, 19)

BENGAL

Since ancient times, Bengal was held by zamindars or hereditary landlords who were armed with quasi feudal powers, paying revenues and rendering military service to the Nawab in times of need and virtually they were ruling the people within their own estates. Being the unofficial rajas of their subjects and tenants, they maintained order and settled disputes. From time to time, however, arbitrary Nawabs like Murshid Kuli in 17th century and Mir Qasim in 18th century tried squeezing the powers of zamindars with iron hand, but they seldom ousted them from the estates which were considered hereditary by custom. (Dutt 1906, 43) The usual trend was that the ryot or peasant cultivator paid a fixed share of the produce of his land, either in cash or kind to the zamindar, who at first was merely the collector of revenue. But later on, the office became hereditary in the families of the original holder. Thus, the Zamindari is the hereditary contract agency and it resembled a landed estate. They received the territorial revenues of the state from the ryots and paid the Mughals sovereign or the Viceroy 9-10th of what he received, retaining the remaining 10th for himself. He paid a fine on his succession. He could sell or give away his office on acquiring permission, however if disadvantaged of it by the state, he became entitled to compensation. Over his Zamindari lands, he had the right to regulate the incident of the taxes imposed by the ruler of Bengal and he was responsible for keeping the peace within his jurisdiction. (Roberts, 227)

Since land revenue was the main source of income, the Company materialistically designed to make the maximum out of it. Till few years after Plassey, the Company proceeded with caution. However, when it acquired the districts of Burdhavan and Midnapore from Mir Qasim in 1760, they introduced a new revenue system over there. They disregarded the customary rights of the zamindars and sold their estates by public auction to increase their revenue. (Dutt 1906, 44)

Later on, in 1762, a slightly better productive plan was adopted in which the lands were led by the public auction for the short term for three years. Men without fortune or character became bidders at the sale, and while some of the former farmers, reluctant to abandon their occupancies, exceeded perhaps the real value in their offers. Those who had nothing wished to obtain an immediate possession. Thus, countless harpies had been let out to plunder, whom the ruin of depressing humans enabled to finish their first year's payment. As expected, this system was profitable to the state but not for the peasants. The bidders offered high values knowing fully well that by oppressing the people they would pay the promised sums to the state while making a big profit for themselves. This was one of the worst revenue systems that could possibly be devised. (Chopra, 173-4)

DUAL GOVERNMENT OF ROBERT CLIVE (1765-67)

In August 1765, Robert Clive, the Governor-General, prevailed upon Mughal Emperor Shah Alam to confer the historic power of *Diwani* (revenue and civil justice) upon the East India Company. Henceforth, its servants were to collect the revenues and pay the charges of the government. (Roberts, 158-9) Now the company considered the territory as an estate and the revenues accruing from it as their legitimate income to be sent to their home country. This was the beginning of a system which was inherently tragic. Revenues of India were not to be spent for the benefit of the country and its people, but for the benefit of the foreign land which was thousands of miles away. Clive himself deducted all the expenditure from the annual revenue and assured his masters at home that there will be a clear gain for the company of 122 lakh of Sikka Rupees or £1,650,900 sterling. The revenues were collected through the puppet Nawab's Nayab, who oppressed the peasants, collected the maximum, kept for themselves sufficient profit, and pleased their new masters by paying them what they wanted. (Chopra, 174)

All this led to the complete destruction of Bengal which was once the granary of India. Since the tax collectors had no permanent interest in the land, they rack-rented the cultivators. The Bengali peasant suffered from the over-assessment, severe collection and was endangered to the wickedest exactions by the officials. Thus, many of them ran away to jungles or joined the group of robbers or dacoits. (Grover, 66)

SUCCESSORS OF CLIVE

In 1767, Harry Verelst (1767-69) succeeded Clive as the Governor. He witnessed the ravaging Bengal at the hands of oppressive tax collectors. Still, no consideration was given to the condition of agriculture. Despite the great famine of Bengal in 1770, the government did not pay any heed to the calamity. Land revenue, as usual, was collected ruthlessly. Verelst's successor John Cartier (1769-72) also continued to collect the revenue mercilessly. (Chopra, 174) The real rulers of the land screened themselves behind the Hindu and Muslim revenue collectors and took over the collection, but they never felt the responsibilities of the rulers. They felt themselves as the agent of the company. The people were

oppressed by both the ruler and the collector but were protected by neither. In 1769, for commanding the collection of revenue, supervisors were appointed by the company. Some enquiries were made by the supervisors which showed that the administration was in the utmost disorder. The collecting officers exacted what they could from the zamindars and great farmers of revenue, whom they left at liberty to plunder all below, reserving to themselves the entitlement of plundering them in their turn. (Dutt 1906, 56-7)

WARREN HASTINGS (1772-85)

Warren Hastings became the Governor of Bengal in 1772 and later on in 1774 became the Governor-General. Before Hastings, the company was collecting revenue through both Hindu and Muslim officers who were still nominally under the authority of the Nawab. The company directly managed revenue matters by the auction system in only few districts. Hastings assumed the responsibility directly and abolished the system of collection through the Nawab's officers. In 1772, Warren Hastings designated them as Collectors and appointed them in each district. The present concept of District Collector owes back its origin to this time. In 1774, these Collectors were replaced by Provincial Councils in each district of Calcutta, Burdwan, Dhaka, Murshidabad, Dinajpur and Patna. In 1780, the exchequer and the treasury were relocated from Murshidabad to Calcutta and were kept under the newly formed Board of Revenue and appointed European collectors to manage revenue matters. (Chopra, 175) The Board of Revenue composed of the Governor and his council. Moreover, a committee of four members and the governor himself was formed for the management of the revenues. (Dutt 1906, 57)

Quinquennial Settlement (1772-76)

In 1772, Warren Hastings introduced the 'Quinquennial Settlement' under which he farmed out the land to the highest bidders for 5 years. Four junior members of the Governor's committee went on a circuit to carry this plan into execution. But the system proved to be disastrous as the bidders failed to recover the paid amount and the peasantry was put under tyranny. (Raychoudhari, S.C, 47) It was presumed that the zamindars were mere tax-gatherers with no exclusive rights so no preference was given to them and were actually discouraged from bidding.

In 1773, a change was made and now the corrupt collectors who were indulged in private trade were replaced by Indian Diwans in the districts and for supervising their work Provincial Councils were set up. The Committee of Revenue at Calcutta had the overall control as Hastings desired the ultimate centralization of all the functions in its hands.

Nevertheless, the settlement was a miserable failure. Mostly all the revenue farmers were speculators and had no permanent interest in the land. They tried extracting maximum amount from the cultivators. The Company officers themselves participated in the bidding through *banias*. Hastings himself participated in this through a 10-year-old son of Kuntu Baboo, an Indian servant of Hastings. The land was over-assessed and state demand was fixed very high. (Grover, 70-1) Thus, the British agents were unsuccessful in extracting this increased revenue and due to their negligence and dishonesty, there was a huge loss of revenue. This oppression and exploitation led to the long-lasting indebtedness of farmers. Ancestral houses and estates passed into the hands of moneylenders. Peasantry abandoned the land and bidders did not dare to venture in farming. Moreover, serious disturbances were inflamed in other parts of the Diwani like Benaras because of the misconduct and oppression. (Raychoudhari, S.C, 48) Hastings failed miserably in devising a land revenue system and it is clear from the words of Cornwallis in 1789 that "*one-third of the Company's territory in Hindustan is now jungle, inhabited only by wild beasts.*" (Grover, 71)

In 1776, Hastings discussed a policy of equitable land settlement at Calcutta. Hastings and Borewell proposed that estates should be sold by public auction or farmed out on leases. Settlements should be made with purchases or lessees for life. Philip Francis, the then member of the Council of Governor General, recorded in one of the ablest minutes that land revenue demand of the state should be permanently fixed. He described the evils of the farming system and its disastrous effects on the country. A good lot of the zamindars were beyond and were disposed of their land management and only a few people of rank and family were left. Thus, Francis recommended that the purpose of the land revenue calculation should be to promote the prosperity of the people. According to him, a fixed assessment must be a matter of public record and it should be permanent and unalterable and people must be convinced about that. Such condition must be fixed, independent of any consideration of whom may be the immediate or future proprietor. If any hidden wealth still exist then it should be brought forth and employed in improving the land because the proprietor should be satisfied that he is labouring for himself. (Dutt 1906, 58-9)

Annual Settlement, 1777

In 1777, Warren Hastings reverted to the system of annual settlements of land. In this, instead of giving the land or estate to the highest bidder, it was decided to let them to the hereditary landlords who possess their estates before the British conquest of Bengal, collected rents from the cultivators and paid revenue to the previous governments. This class of zamindar was dying after the British conquest as their former privileges were withdrawn. Under this new settlement, these zamindars were given preference over the disregarded bidders who had proven themselves so unworthy in the immediate past.

However, because of the brief occupation of the land, the Zamindars could not improve upon their situation. Annual settlement proved defective. Still, the government affected such kinds of settlements in 1778, 1779 and 1780. Every year the peasantry saw new masters. These masters exploited the peasants as much as possible during their one-year term as they were uncertain about their next term. Because of the short term of the tenure, the hereditary landlords proved as oppressive as the bidders. The condition of the people deteriorated and the company's income rose. In 1781, the income from land revenue showed a rise by ₹26,00,000. (Chopra, 176) Nearly all the zamindars and ancient landed families of Bengal suffered under this system. Frequent enhancements of revenue and harsh methods of realisation were never known before. Estates of the descendants of old houses were passed into the hands of moneylenders and speculators from Calcutta. Minor proprietor saw their peaceful subjects troubled by agents appointed from Calcutta.

Three largest estates in Bengal—Burdwan, Rajshahi and Dinajpur—were paying revenue over £100,000 sterling and were under the administration of three distinguished ladies. Out of these Dinajpur suffered the most. Debi Singh, a dishonest and voracious agent, was appointed from Calcutta to manage the estate during the minority. Earlier, he was guilty of tyranny in Purnia and in Rangpur and had been removed from his previous employment. However, he was chosen as a proper agent when the aim was to screw up the revenues of Dinajpur during a minority. Infamously, Singh proved capable of the task and with his cruelty was unparalleled even in Bengal of 18th century. He imprisoned zamindars and tortured the cultivators in order to raise the revenue. He did not exempt even women from his tyranny and insulted them with indecent outrage. Due to such torment, the cultivators of Dinajpur were forced to leave the district but bands of armed soldiers grouped them back. Many of them fled into the jungles and few rose to rebellion. (Dutt 1906, 61) The Burdwan estate was heavily assessed. Ganga Govind Singh, the Diwan of the Revenue Board, fixed the assessment higher than in any other old zamindari in Bengal. Burdwan suffered from this for many decades and the descendants of the feudal lords were unable to meet the heavy monetary demands of the new masters of Bengal. (Dutt 1906, 64)

Overall, the administration of Warren Hastings was a massive failure if judged on the basis of happiness the government confers on the people. The extension of British power and influence did not match the economic condition of the people but it left behind a dark trail of misery, rebellions and famines in Bengal, Banaras and Awadh. There were multiple reasons to it. The primary objective of the company's administration was to make India pay, considering India as a greatest estate for the profit of the East India company and its servants. The betterment of the people was made subservient to this primary objective, the rights of the princess, people, zamindars and riots were sacrificed to this dominant idea of commercial benefit. The famine of 1770 increased the land revenue; landed families who owned their estates for centuries were made to bid for them as annual farmers against moneylenders and speculators; cultivators escaped from their homes and villages but were driven back by soldiers with cruel severity; and a great portion of the money so raised was annually sent in the shape of investments to the gratified shareholders in England. (Dutt 1906, 79-80)

JOHN MACPHERSON (1785-86)

In 1786, John Macpherson succeeded Hastings and in order to avert the situation, he divided the Diwani into 35 districts, which was later reduced to 23 in 1787. Now, the Collectors were responsible for collecting the revenue and making the settlement. The Board of Revenue controlled all of them. The Chief *Saristadar* was appointed for ensuring proper maintenance of records. However, despite all the efforts, the corruption hindered the fair and humane collection of land revenue. Influential leaders in Britain like Edmund Burke pressed that in lieu of growing corruption in India, there should be a check on Company's activities.

LORD CORNWALLIS (1786-93)

Because of the sinking volume of land revenue and rising discontentment among the farmers, the Company instructed the newly appointed Governor-General, Lord Cornwallis to handle the system of land revenue humanely, the tax should be reasonable and should be punctually collected. (Raychaudhary, S.C, 48) The company gave him full instructions in a letter dated 12th April 1786. In this letter, the directors expressed their disfavour against the frequent changes in the revenue policy of Bengal and their desire to pursue system under watchful superintendence. They condemned the continuous increase of land tax and overthrowing of zamindars in favour of farmers, *sazawals*, and *amins* who had no permanent interest in the well-being of the cultivators. In order to avoid misappropriations of any kind, the directors viewed the necessity to introduce a permanent settlement of land revenue which should be estimated on reasonable principles, for the due payment of which the hereditary tenure of the possessor should be the best and only necessary security. They advised that the settlement should be made in all possible instances with the zamindars and declared that *"a moderate Jumma or assessment regularly and punctually collected unite the consideration of our interest with the happiness of the natives and security of the landholders more rationally than any imperfect collection of any exaggerated Jumma to be enforced with severity and vexation."* (Dutt 1906, 81-2) Moreover they desired that despite the settlement being permanent the first settlement should be concluded for 10 years only.

However, Cornwallis was chiefly concerned with the aim of Company's policy rather than with the problems of peasantry. The twin aim of the Company was first to increase the demand of British manufactures in India, and second

to export raw materials like silk, wool, cotton, indigo etc to Britian. The 'Commercial Department' became the pivot of all the Company's activities and the reducing importance of the 'General Department' brought a sharp drop in the collection of land revenue. (Raychaudhary, S.C, 49)

Table 1: Land Revenue assessments over the years

<i>Year</i>	<i>Land Revenue</i>	<i>Remarks</i>
1582	₹ 1,06,93,152	Todarmal's assessment
1658	₹ 1,31,15,907	Sultan Suja's settlement
1722	₹ 1,42,88,186	Zaffar Khan's settlement
1728	₹ 1,42,45,561	Suja Khan's settlement
1762-63	₹ 64,56,198	Mir Kasim's Administration
1663-64	₹ 76,18,407	-
1764-65	₹ 81,75,533	-
1765-66	₹ 1,47,04,875	First year of Company's Diwani
1790-91	₹ 2,68,00,989	For Bengal, Bihar and Orissa

-Raychaudhary, S.C, 50

Cornwallis reorganised the Revenue Department. In 1787, Bengal was divided into fiscal areas, placed under a Collector. Collectorship dropped from 36 to 23. Committee of Revenue was renamed as the Board of Revenue. (Grover, 85) In 1793, the Board of Revenue and the District Collectors were deprived of their judicial functions in revenue cases. The collectors were also stripped off their magisterial authority. (Dutt 1906, 83) The old system of annual settlement continued till 1790. Examining the prevailing conditions in India, Cornwallis found it impossible to conclude a 10 years settlement without some further enquiry into the question of usages, tenures and rents of Bengal and he strongly prosecuted these enquiries. (Dutt 1906, 82)

Thus, a thorough enquiry was conducted for devising a satisfactory land revenue settlement, part of which were Sir John Shore, the President of the Board of Revenue, Mr. James Grant, the Record Keeper, and the Governor-General himself. The enquiry seek to answer the question—with whom the settlement should be made? To this, finally it was decided to make settlement with the zamindars. Next was the basis of land revenue which was ultimately decided to be made on the actual collections of the year 1790-91 which were put at ₹ 2,68,00,000. Next, Cornwallis wanted to declare the settlement as permanent and continuous, as a 10-year period was too inadequate to encourage any zamindar to clear away jungles or announce other enduring developments in the land. (Grover, 86-7)

In 1789, the revenue enquiries in Bengal were concluded by the famous minute of Mr. Shore, dated 18th June, which laid the foundation of the Permanent Settlement of Bengal provinces. Moreover, Mr. Shore also referred to the revenue settlements made by Todarmal in 1582 and by Zaffar Khan in 1722. (Dutt 1906, 84) From the Table, it can be seen that the amount of land revenue was not much altered to the close of the Muslim rule although various other taxes were imposed between 1722 and 1763. Between 1663 to 1665, the administration belonged to Nandkumar under the authority of Mir Jafar. Period from 1765 to 1766 belonged to Muhammad Raza Khan, being first year of the Diwani. The strange economic feature of the British rule was the annual economic drain from the country which contrasted the preceding Muslim rule. This feature came under the observation of Mr. Shore. (Dutt 1906, 85) The total land revenue obtained from Bengal, Bihar and Orissa for the year 1790-91 was ₹2,68,00,989 which was nearly double the assessment of Zaffar Khan, was three times the collection of Maharaja Anand Kumar in the last year of the rule of Mir Jafar (1764-65) and was double the collection made by Muhammad Raza Khan. Thus, the assessment was as severe as it could possibly be. (Dutt 1906, 92-3)

Permanent Settlement, 1793

In 1790, zamindars were recognised the owners of land and a 10-year settlement was made with them. On 22nd March 1793, this decennial settlement was declared a Permanent Settlement. Under this, the zamindars and their legitimate successors were allowed to hold their lands at that very evaluated rate forever. The state demand was fixed at 89% of the rental, the rest 11% was zamindar's share for their distress and duty. This secured a fixed and stable income for the state, irrespective of monsoon conditions. Government was saved from the expenses of periodical assessment and settlements. (Grover, 86-7) The revenue collectors were converted into so many landlords. They became the owner of the entire land in their zamindaris and also were to act as agents of the government in collecting land revenue from the ryot. The right of ownership was made hereditary and transferable. On the other hand, the cultivators were reduced to the low status of mere tenants and were deprived of long-standing rights to the soil and other customary rights. Rights were sacrificed like the use of pasture and forest lands, irrigation canals, fisheries and homestead plots, and protection against the enhancement of rent was not given. The tenantry of Bengal and Bihar were now left entirely at the mercy of

the zamindar. If the rental of a zamindar's estate accelerated attributable to extension of cultivation and development in agriculture, or his capability to extract extra from his tenants or any other reason, he would keep the entire amount of the increase. No further demand would be made by the state then. (Chandra, 103)

Initially before this settlement, fixation of revenue was made arbitrarily and without any consultation with the zamindars. The aim of the official was to secure the maximum amount, resulting in a very high rate of revenue. Between 1765-66 and 1793, the land revenue demand nearly doubled. Sir John Shore calculated that if the gross produce of Bengal was 100, the government claimed 45, zamindars and other intermediaries below them received 15, and only 40 remained with the actual cultivator. This astronomical and impossible land revenue demand resulted in nearly half the Zamindari lands putting up for sale between 1794 and 1807. (Chandra, 103-4) This settlement acted as an agricultural incentive rather than increasing the land revenue. Hence, agriculture was largely extended and rents became 3-fold. So, it became 28% of the rent in 1903 against the previous 89% of 1793. (Desai, 68)

The permanent Zamindari settlement was extended later on to Odisha, the northern districts of Madras, Northern Circars, parts of Karnataka, and the district of Banaras. The British introduced temporary zamindari settlements in parts of Central India and Avadh. Under this, the zamindars were made the owners of land, but the revenue they had to pay was revised periodically. Landlords were created all over India when the government started the practice of giving land to persons who had rendered faithful service to the foreign rulers. (Chandra, 105)

The permanent settlement had both merits and demerits. The merits had been obvious within the context of that particular time. According to some economists, the land system secured the benefit of certainty for the people. The peasant knew his land, the amount of revenue to be paid and the time and the mode of payment. The landlord was habituated in his hereditary profession of looking into his estate, collecting rents and making payments to the government at the allotted time. The state knew its income and was contented to get a regular flow of money without the duty of collecting it from the individual peasants. The government was relieved by shifting the greatest burdens of administration to the shoulders of a class of intermediaries who stood between the government and the people and looked into all types of information regarding the land, the ryots and their rights. Now the company could devote all its energies for further conquest of territories and the extension of commerce. Now the landlords were to face all the problems concerning the individual peasant and peasantry as a class. In the era of difficult communication, the company's officer could not have assumed the responsibility of collecting land revenue themselves, so it was safer and better option to leave the matter to the people of privilege and position, who were the men of their soil. The system appeared as one of the finest land systems ever conceived by many Englishmen and some distinguished Indians too. Even the economist RC Dutt considered Lord Cornwallis's Permanent Settlement of 1793 as the wisest and most successful measure which the Britishers have ever adopted in India, if considering the prosperity and happiness of the nation. (Chopra, 177-8)

However, in the long run, it was financially the loss of the state. This system gave birth to absentee landlordism as the zamindars did not live on their estates, but away in the cities in luxury. They acted like 'distant suction pumps'. A host of intermediaries grew up between the state and the cultivator, sometimes reaching up to 50 intermediaries. They were only interested in their profits and the ryot was reduced to the position of a pauper. The latter suffered double injustice—he had to surrender his property rights and was entirely left at the mercy of zamindars. Zamindars too in the beginning were in difficulty because of the 'Sunset' law according to which he was required to deposit the revenue in the government treasury by the sunset of the last day fixed, failing which the lands were confiscated and auctioned. This law deprived many zamindars of their land for momentary complications. (Grover, 88) During 1797-98, it was estimated that estates worth around 17% of the total land revenue of Bengal were sold for such payment defaults. At one point no bidder was coming forward. (Grover, 89) Between 1794 and 1807, land yielding about 41% of the revenue in Bengal and Bihar was sold out in auction. Between 1804 and 1818 in Orissa, 51.1% of the original zamindars were wiped off because of auction sales. Due to this, the old Zamindari houses collapsed and they were parcelled out by their own *amlas* (zamindari officials) and rich tenants, or by the neighbouring zamindars among themselves. (Bandopadhyay, 85) Because the settlement was permanent, the rate of assessments were fixed rather high. The amount which government received was not spent on the welfare of the people or in improvement of agriculture. The landlord's share was used for his maintenance of status and staff. If landlords' income increased through extension of cultivation, it did not benefit the state, nor the peasantry. Originally, collection of revenue was only the real work of the landlords. But the permanent settlement made them full proprietors of the land overlooking all kinds of right of the people. The settlement gave undue importance to a small group of people at the cost of the people in general. From a political perspective, the British government regarded landlords as a prop of their imperial structure. As such, the authority and importance of the landlord class was upheld at the expense of the common people's interest. (Chopra, 179) The land revenue collection became stricter and surpassed all the volumes of the past. It increased from ₹14,245,461 in 1728 to ₹26,800,989 in 1790-91. The settlement created a landed aristocracy which was nonconformist to the character of the Indian society. They became the pillars of economic imperialism and were bulwarks against any kind of revolt against the alien rule. Their role in rural community was parallel to the role of business class in urban centres. (Raychoudhary, S.C, 50) It led to the grant of lands to those who have enough money to finance, effect realization of excessive rents and then pay the revenue recurrently. The peasants on the other hand continued to suffer for more than 6 decades until

1859 and 1885 when Bengal Land Acts were passed owing to indigo labour revolts. (Raychoudhary, S.C, 51) In 1831, Raja Ram Mohan Roy observed in communication to the Board of Control, "*while the zamindars or landholders had been greatly benefited by the permanent settlement system of Bengal of 1793, the wealth of the community had greatly increased, the poor cultivator was no better off.*" (Agarwal, 57) Roy believed that the land revenue during 35 years from 1792 to 1827 was raised by 101.07%. So, he suggested that there should be no further rise in rent and that there should be deduction in the revenue demanded from the Zamindar so as to ensure a reduction in the ryots' rent. This decrease in revenue should be met by increasing taxes upon the luxuries of high-salaried Europeans by low salaried Indian Collectors.

In understanding the philosophy behind the permanent settlement, we should also review the actual conditions prevailing at that time. Bengal was hit with a severe famine in 1770. Tillers of the soil were scarce and zamindars protested against absconding peasants whenever they had to meet the British revenue demand. Funds were needed to finance the warfare in India by the company and thus it was in a dire need of predictable revenue income. This permanent settlement came to be as a best solution of the immediate problem. Now the zamindar was having the exclusive responsibility for meeting the revenue demand and his estate would be auctioned if he did not pay it punctually. Complaints regarding absconding peasants became irrelevant and the company was no longer concerned with the contractual relations between landlord and tenant. (Rothermund, 20)

The advantages and disadvantages of this permanent settlement continued to exist where it was introduced. However, at other places, land systems were introduced under different conditions and circumstances at different times. (Chopra, 179)

MADRAS

Majority of the lands in Northern Circars were held by zamindars. Besides these zamindari lands, there were certain household lands of the government known as Haveli lands. They were tracks of country adjoining capital towns and reserved for the supply of garrisons and civil establishments of the Muslim rulers. The system of land revenue adopted in these lands was not a wise one as the Haveli lands were formed out to the agents or large speculating rentals who were equipped with the amplest means of cruelty. (Dutt 1906, 117) In 1775, the Court of Directors directed that a Committee of Circuit should be appointed to enquire into the state of the Northern Circars for determining the produce, the gross revenues of the states and the customary rights of zamindar and the cultivators. The Court of Directors also desired to secure the zamindars their annual incomes and to save the cultivators from the undue exactions. They also wished to introduce into the Circars such regulations as had been established in Bengal. So, a committee was appointed but in 1778 it was abolished by Sir Thomas Rumbold. In 1783, it was revived and continued its enquiries till 1788. (Dutt 1906, 116-7) Prior to 1778, the zamindari lands were annually settled with zamindars until Sir Thomas Rumbold's five years' settlement. The practice of annual settlement was very oppressive and it was resumed in 1783 which continued till 1786 when a 3-year settlement was introduced. (Dutt 1906, 120) In 1789, a settlement for eventually 5 years was concluded and the zamindars were assessed at two-third of their gross collection. The state of Guntur which came under the possession of company in 1788 was settled in the same way. In 1794, the Governor of Madras, Lord Hobart, affected a great reform in abolishing the company's chief and councils and appointing collectors in all the districts. The land revenue administration came under the control of the Board of Revenue. Zamindari land settlement was made on the same principles as before.

In Haveli lands, collectors were appointed in 1787 and they adopted two different methods for collection of land revenue. In some places it was collected directly from the cultivators in kind, i.e. taking a share of the produce as the government revenue, and in the other places they farmed out the lands for stipulated sums. The general arrangement was that the collector made settlements with the head inhabitants of the village and the latter in turn made a separate arrangement with each individual cultivator. (Dutt 1906, 121) After the abolition of the company's chiefs and councils in 1794, the collectors were solely responsible for such settlements subject to control of the Board of Revenue. In 1804, the Haveli lands were passed out into blocks of a convenient size as the annual revenue and were sold by public auction as permanent zamindari. The Jagir lands round the town of Madras were also settled permanently about the same time. (Dutt 1906, 122)

In 1799-1800, the Madras authorities retained all the lands held by the *polygars*, the village headman, outside their own villages and demanded the revenue which exceeded the previous demand by 117%. This led to a rebellion by the southern *polygars*. Rebels were deprived of their estates and many were capitally punished. The revenue was declared to be liberal for several years, and subsequently to remain fixed to an amount calculated which was equal to two-third of the gross collections. In 1803, a permanent settlement was made for 14 States which remained in the hands of Southern *polygars* and the revenue was fixed moderately varying from 41% to 51% of the gross rental. These estates were principally situated in the district and similar settlements were made with *polygars* in Sivaganga and Ramnad. In 1802, permanent settlement was also made with Western *polygars*. (Dutt 1906, 130-1) Summing up, the system of settlements with zamindars, *polygars* and other headmen was disfavoured in Madras, instead, direct settlements with ryots or cultivators was favoured. (Dutt 1906, 134)

Table 2: Settlements in districts of Madras Presidency (1812)

<i>Permanently Settled</i>		<i>Not Permanently Settled</i>	
Jagir round Madras	1801-2	Mysore	Malabar Canara Coimbatore Ceded Districts Balaghat
Northern Circars	1802-5		
Salem Western Polygars' estates Chittoor Polygars' estates Southern Polygars' estates	1802-3		
Ramnad	1803-4	Karnatic	Palnad Nellor and Ongole Arcot Sativad Trichinopoly Madurai Tinnevely
Krishnagiri	1804-5		
Dindigal	1804-5		
Tievendapuram Jaigir villages	1806-7		

-Dutt 1906, 134

Lord Cornwallis wished that the permanent settlement or the zamindari system should be extended to the other parts of India as well. After the arrival of Lord Wellesley to India, he and the Board of Control had the same view. In 1798, Wellesley even gave orders for the extension of Permanent Settlement to Madras presidency. However, there was a problem in Madras as a sizable Zamindar class was not found in Madras as it was in Bengal. Still, between 1801 and 1807, this system was introduced by the Madras authorities in large areas. *Polygars* were recognized as zamindars and in other areas, where such people could not be found, villages were combined into estates and were sold in auction to the highest bidders. But before the things could go this far, a disillusionment grew with the permanent settlement in the official circles. It provided that the increased income from the land was being garnered by the zamindars in place of raising the income of the government. Notion was that the state had a legitimate claim to the share of the surplus from the land. Thus, this theory provided an argument to eliminate zamindars and appropriate a larger share of the increasing income from the new acquisition of land. A more powerful reason for a new settlement was the perennial financial crisis of the Madras Presidency, which was worsened by the rising expenses of the war. This was the genesis of the Ryotwari settlement in Madras Presidency. (Bandopadhyay, 86-7)

After the company acquired the Madras presidency in 1792, the first land revenue settlements were made in the Baramahal district. Captain Alexander Reed, assisted by Thomas Munro, fixed the state demand on the basis of 50% of the estimated produce of the fields, which worked out to be more than the whole economic rent. This system was extended to the other parts as well.

Unfortunately, the first assessments were very harsh and caused extensive wretchedness. (Grover, 170) Munro detected the defects of the company's system of administration and his sympathetic judgement suggested true remedies. As observed by him, nawab's revenue in Carnatic were remitted through agents in Madras at 3% and 4% per month. The rents in some parts of Carnatic were regulated by the grains sown, every kind paying a different rate, and in others they were levied in kind and in all the leases were annual. When the rents were fixed according to the grain, the lands were measured every year. Surveyors were guided by bribes they received while making their reports and practiced fraud both on the farmers and the government. Where the revenue was collected in kind, land was either thrown upon the cultivator at a price much above its value or else a standard was fixed for the market below which no person could sell until the whole of the public grain was disposed of. Munro also pointed out the rejection of the application made by Revenue Board for an increase in salary of the collectors by the government. According to him, due to this rejection, the collectors found many different ways for amassing great fortunes for themselves in few years. This was accomplished quite simply. When the rents were paid in money, the collectors gave government rent role quite below the real ones and when the collection was in kind they diminished the produce of the land or the sales. (Dutt 1906, 123-4)

Ryotwari Settlement, 1812

According to Munro, the amount of the settlement was to increase or decrease annually depending upon the extent of the land in cultivation. A reduction of 25% on all land was made in the survey rate of assessment. Additional reduction in the assessment of 8% or 33% in all was allowed on the lands watered by wells or by water raised by machinery from rivers and nalas. The cultivators themselves were to keep the wells or embankments in repair at their own expense. A

similar reduction was allowed on the lands watered by small tanks wherever the cultivators agree to bear the expense of repairs. The repairs of all the tanks, which were not rendered private property, by an extra remission were made at the expense of the government. Private creditors were to discharge the rent which was due from such ryots to the government and they were given security for it before they began the distraint. All the ryot were at liberty at the end of the year, either to throw up a part of his land or to occupy more depending on his circumstances. As long as the ryot was able to pay the rent he was the complete owner of the soil and was at liberty to let it to a tenant without any limitation as to rent and to sell it as he pleases.

However, no remission was made for bad crops or other accidents on ordinary occasions. In cases where failure cannot be made good from the land of the defaulter, then the village in which this would happen was liable for them to the maximum extent of 10% of the rent of the remaining ryots. The unoccupied lands were in the hands of the government and the rent of whatever was cultivated on such land was added to the public revenue. The taxes on houses, shops, professions, all duties and licences belonged exclusively to the government.

This was the plan of the Ryotwari settlement as conceived by Thomas Munro. The Governor of Madras in 1803, Lord William Bentinck, was also of the same opinion. In 1806 in his Minute, he recorded that zamindari settlement was best suited for Bengal where there were hereditary zamindars but not in the parts of Madras where such landlords never existed. (Dutt 1906, 138)

Realizing the unfairness of the early settlement, Munro extended the Ryotwari system to all parts of the province on the basis of 1-3rd of the gross produce of holdings, which too unfortunately absorbed nearly the whole of the economic rental. (Grover, 170) The general level was 50% of gross produce on wetlands and 33% on drylands. The farmer on drylands was left with a net income of only 20% of gross produce as the cultivation cost was 45-50% of gross produce. But such abuses were remedied in 1855 when government undertook a professional field survey. (Desai, 73-4)

In 1800, Thomas Munro was transferred from Baramahal to Kanara where he completed the settlement work with his usual ability and success within one year, which was made with the landlords. In cases when there was no landlord the settlement was made with the immediate occupant. The produce was perfectly determined because the account of it was brought forward by both the parties. At no instance the government share was more than one-third. Later on, Munro was sent to settle the Ceded districts between Krishna and Tungabhadra rivers. Here, the revenue gradually increased from £402,637 to £606,909 (increment of 50%) within 7 years. (Dutt 1906, 126-7)

Overall, the officials believed that the introduction of zamindari system would upset the existing state of affairs as there was no zamindars with large estates with whom the settlement of land revenue could be made in the region. Thus, on the recommendation of Reed and Munro, the settlement was now made directly with the actual cultivators. As pointed out, the company under permanent settlement was a financial loser as the company could not claim a share of growing income from the land. Now, under the new system of Ryotwari settlement, the cultivator was to be recognized as the owner of the plot he was cultivating, subject to the payment of land revenue. (Chandra, 105-6)

Tanjore

Before its annexation in 1799, the cultivators in the state of Tanjore used to pay their rents to the Raja through head-ryots called *Pattakdars* and in most cases they were virtually zamindars. After the annexation of Tanjore, the British government made a clean sweep of these *Pattakdars*, introduced the Ryotwari system in 1804 and fixed the revenue with reference to the produce of an average number of years not on a survey valuation of the land. (Dutt 1906, 128) The defenders of this Ryotwari system claimed that it was a continuation of the state of affairs that existed in the past. Munro said, "*It is a system which has always prevailed in India.*" (Chandra, 106) The settlements under Ryotwari was not made permanent. It was revised periodically after years when the revenue demand was usually raised. At the end, in 1820, Munro as the Governor of Madras, introduced this system in Bombay Presidency and parts of Madras Presidency like Malabar, Coimbatore, Madurai and Dindugal.

The concept of peasant ownership in the Ryotwari settlement was merely an illusion. The peasants soon discovered that a large number of zamindars were replaced by one giant zamindar, the state, and that they were mere government tenants whose land was sold if they failed to pay punctually. Later on, the government openly claimed that the land revenue was rent and not a tax. The right of ownership of ryot was also negated by the fact that the land revenue fixed was excessive. The ryot was hardly left with bare maintenance, even in the best seasons. The right to enhance the land revenue at will was also retained by the government. Even during the seasons of drought or flood, when his crops were partially or fully destroyed, the ryot was to pay the revenue. (Chandra, 106)

The grief of Ryotwari tenants was heightened by the fact that they were unidentified and hence vulnerable. Moreover, there were notable provincial variations too in their conditions. Tanjore had powerful ryotwari landholders who employed agricultural labourers—the dispersed small selected group of rich peasants in the interior dry zone of Tamil Nadu and Rayalseema dominated the mass of cultivators through moneylending and trade; and a knowingly diverse 'middle peasant' developed in the Andhra delta. Thus, soil and water supply conditions contributed to significant

distinctions in peasant diversity. In Bengal, where river flows have been shifting eastwards, there was a difference between the western districts and the more affluent 'active delta' of East Bengal, the former is where peasants were splitting up into rich farmers or *jotedars* and share-croppers, and the latter is where favourable ecosystem and incomes from jute enabled the survival of a mass of independent small and middle peasant cultivators. (Sarkar, 30) This settlement operated for nearly 30 years and caused general harassment and agricultural distress. The peasantry sank deeper in poverty and fell in the clutches of the moneylender for payment of land revenue. The state machinery of collection was torturous. Even in the British Parliament, the members asked questions about the wild practices of torture, including preventing the defaulter from taking his meals and attending to calls of nature, tying a man in a bent position, making a man sit with brickbats behind his knees, tying defaulters by their back hair to a donkey's or buffalo's tail, placing a necklace of bones or other degrading materials around the necks, etc. (Grover, 170)

BOMBAY

The beginning of Ryotwari Settlement in Bombay Presidency was after the annexation of Gujarat in 1803. British were collecting the revenue through Deshmukhs and the village headman, *Patil*. But the revenue yield was not as much as they hoped for, and hence from 1813 they began collecting the revenue directly from the peasants. (Bandopadhyay, 91) In 1817, the Peshwa's Kingdom was acquired by the Company and since then, there was a steep rise in the land revenue; from £8 lakhs in 1817 to £11.5 lakhs the next year and £15 lakhs in a few more years. The British introduced Ryotwari settlement replacing the revenue farming. Under this, the peasant proprietor held the land directly from the government, without any intermediaries. In 1825, the same Madras standard of reduced land revenue to 1-3rd of the gross produce was adopted. (Desai, 72) In October 1819, Elphinstone, the Governor of Bombay (1819-27), submitted an extensive report on the territories conquered from the Peshwa. He highlighted important features of the Maratha government—the existence of village communities as units of local administration and the presence of *mirasi*. *Mirasdars* were hereditary peasant proprietors who cultivated their own fields and paid land tax at fixed rates to the state. In 1821 and 1822, Chaplain, the Commissioner of the Deccan, submitted two reports which referred to the past practices in revenue settlements. (Grover, 170) Elphinstone was charged with the responsibility of settling districts acquired from Peshwa under the combined system of Ryotwari and Mahalwari in Bombay. Under this, the rights and rent of each cultivator was fixed after a survey. Farming of village was entrusted to the Patils for a number of years. (Grover, 115) After the conquest of Deccan, land settlements were made temporarily in different districts immediately. Between 1824 and 1828, Pringle of the Bombay Civil Services commenced a regular survey Ricardian, but it ended in failure. The assessment was based on measurement of fields and the estimate of the yield of various soil. The government demand was fixed at 55% of the produce. However, the measurements were faulty and estimates of produce was erroneous. Thus, the revenue demand was excessive. This resulted in over taxation and tyranny of the peasant. All unlawful and lawful methods were implied to get the utmost of the wretched peasantry. They were subjected to torture. Many peasants abandoned their homes and fled into the neighbouring native states. Large tract of land was thrown out of cultivation and in many districts no more than 1/3rd of the cultivable area remained occupied. (Dutt 1908, 52)

Table 3: Revenue assessed in Bombay Presidency

<i>Districts</i>	<i>Revenue</i>	
	<i>Prior to the settlement (in £)</i>	<i>Under the settlement (in £)</i>
Thana	166,287	211,037
Khandesh	215,946	307,869
Ratnagiri	46,440	46,572
Ahmedabad	53,752	90,474
Kaira	144,886	188,752
Surat	174,081	240,134
Broach	88,984	112,564
Panch Mahals	4,825	8,155
Karachi	19,404	31,676
Hyderabad	63,330	77,353
Shikarpur	123,931	159,263
Dharwar	113,039	156,562
Belgaum	130,744	157,026
Krishnagiri	30,555	58,283
Satara	143,656	158,543
Kanara	14,850	27,788
Total	1,534,710	2,032,051

-Dutt 1908, 66

In 1835, Lieutenant Wingate of the Engineers Corps was appointed the Superintendent of Survey. In 1847, he submitted a report which was signed by H.C. Goldsmid, Captain Davidson and Captain Wingate. The state land revenue demand for a district was first determined on the basis of its past history and the paying capacity of its people, then the total district demand was distributed among the fields. Geological basis of assessment replaced the earlier system of equitable basis of field produce. (Grover, 170) The soil in each field was classed according to its character, i.e. texture, colour, and its depth. The 1st order soil had fine uniform texture with deep black to dark brown colour. The 2nd order was coarser and red in colour. The 3rd order was coarser and light brown to grey in colour. The capacity of water absorption determines the fertility of the soil, which varies with depth. Therefore, depth was considered the chief basis of the estimate. (Desai, 72) This '*Annewari*' assessment was now placed upon each field instead of the holdings of a cultivator, so that each cultivator could give up any field he liked or take up other fields which might have remained unoccupied. This settlement was made for 30 years. (Grover, 177) The district demand was distributed among the villages and fields contained in the district. The owner of each field was then called upon to cultivate his holding on payment of the land tax fixed for his field. However, this scheme entirely ignored the village communities of the Deccan and ended the rights of *Mirasi* tenants to hold their hereditary land at fixed rates. Assessment was more or less like a guesswork and was therefore subject to the same uncertainty which vitiated the system of northern India. (Dutt 1908, 53)

Ryotwari system in Bombay suffered from over assessment and uncertainty. There was no provision for an appeal to the court of law against over-taxation. The collector informed the cultivator of the rate at which his land had been assessed in future, with the warning that if he chose to retain it on the new terms, he could, but if he did not choose, he could throw it up. (Grover, 171) The settlement commenced in 1836 and was completed by 1872. Excluding Poona and other few places, under a revised settlement, the land revenue increased from £1,534,710 to £2,032,051 or an increase of 32%. (Dutt 1908, 66)

The Sadar Board of Revenue and the Government of India saw the weakness in the system of Ryotwari settlement. The system already did enough harm in Madras. The Board raised its voice against the system. It forwarded a copy of its letter to Bombay. The letter was an attack on Ryotwari system itself. However, Goldsmith and Wingate stood by the system and attributed the average state of Madras to over-taxation and not to the Ryotwari system itself, in their letter of 17th October 1840. They defended the system and hoped that if properly worked, it would be beneficial to the people as the system which was introduced in North India by Mertinns Bird. (Dutt 1908, 54) However, by setting aside village communities and making separate settlements with 100,000 cultivators for 100,000 fields in each district, Wingate made a fatal mistake. In 1818, the Madras Board of Revenue protested against this mistake in Madras. In 1838, the Southern Board of Revenue protested once more against this mistake. Unfortunately, both of them went futile. (Dutt 1908, 58-9)

Inam Commission, 1852

In order to increase its income, the British government was always anxious to resume the rent-free grants of land. These rent-free tenures of lands or sometimes even of the entire villages were granted in permanency by the Hindu and Muslim rulers in the past, either to an individual as a reward for public service or distinguished talents, or for the maintenance of religious or charitable institutions by pious learned Brahmins or Muslim Saints. Consequently, the British government issued regulations from time to time in order to tighten their grip over such lands. Various commissions were also appointed to inquire into the validity of the titles of these grants. Ultimately, in 1852, an Inam Commission was appointed in Bombay to resume those rent-free grants whose holders were unable to produce the valid certificates. As expected, most of the holders had lost their original documents in support of the grant, as these grants were made centuries ago, though the grants remained with them for centuries according to the usage of the country. The Commission rejected the claims of all such persons who could not produce the original documents and ordered that their rent-free grant should be resumed by the government. Subsequently, 21,000 rent-free grants were resumed. (Agarwal, 57)

NORTH-WESTERN PROVINCES AND OUDH

Benaras

In 1775, the Nawab of Awadh Shuja-ud-daulah died. By a treaty signed between Asaf-ud-Daulah, the successor and Warren Hastings in May 1775, Banaras and other territories of Raja Chait Singh (r. 1770-81) were ceded to the East India Company. Revenue amounting from this acquisition was ₹23,72,656 and was to be paid by the Raja in monthly instalments as a neat tribute without rendering any account of his collections or being allowed to go into any claims for deduction. (Dutt 1906, 70-1) But Philips Francis, an honest Englishman, opposed to the demands and exactions of Hastings. He had been the foremost to bring the state of Banaras under British Supremacy but he protested against the arbitrary demands on the Raja who was now a vassal of the company. He suggested that if the Raja refuses or is unable to pay the money the forfeiture of his zamindari should be the immediate consequence of it. (Dutt 1906, 71) However, these protests were in vain. A second year's contribution of ₹5,00,000 was demanded from Chait Singh in second and third years, besides expenses of troops. He was reprimanded for failure of payment and then arrested. The administration of Banaras by Warren Hastings was a massive failure because of the increased revenue demand under

the new administration which crushed the agricultural industry of the state. The first Deputy appointed by Hastings was dismissed for the offence of not making punctual payments. Lands were over-assessed; collections were made with most severity and the population was plunged into wretchedness. (Dutt 1906, 72)

Cornwallis and Shore were always anxious to extend the permanent zamindari settlement which prevailed in Bengal in Banaras. For the same, negotiations were conducted with the Raja of Banaras from 1787 to 1794 and on 27th October, 1794, an agreement was concluded with him. Under this, the Raja surrendered to the British the rights which he had hitherto exercised over the whole of his state, retaining only the zamindari rights over a small tract which he had recognised the ancestry of his family. Concluding the agreement, Sir John Shore, the then Governor-General of India, made land revenue settlements with village zamindars in the relinquished tracts and also restored many estates to hold zamindars who had lost them under the Raja's administration. In 1795, permanent settlement of revenue was made over the whole of the Banaras country and the state demand from the soil was fixed permanently. Regulations for Bengal, Bihar and Orissa were extended to Banaras with little alterations. (Dutt 1906, 172-3)

Ceded And Conquered Provinces

The British annexed the Upper Gangetic region and between 1801 and 1803 formed the Ceded and Conquered provinces. Initially, they used considerably the magnate element for local revenue collection. Such arrangements were openly short-term, providing for two 3-year and one 4-year settlements. (Kumar, 40) Henry Wellesley, the first Lieutenant Governor of the Ceded Districts, made a revenue settlement with the zamindars and the farmers for 3 years. The state demand was fixed ₹30 lakhs higher than the Nawab of Oudh's demand, in the very 1st year. Additional ₹10 lakhs was added before the end of the 3rd year. (Grover, 169) While the Nawab's demand was only nominal and collections were made according to the state of the crops, the demand was realised with rigidity. Complaining about the settlement of 1802, the Collector, Mr Dumbleton, said that the demand was beyond reason and the British government continued the heavy rates of the Nawab's government without the same elasticity in realising.

On 24th May, 1803, the Bengal Regulations were extended to it and the country was divided into seven districts. Civil servants were appointed in each district for performing the duties of collector. Another important regulation was enacted which recognised that a triennial settlement of the land revenue was already made and notified that after the expiration of the term another settlement will be made for 3 years to be followed by a settlement for 4 years, at the expiration of which a permanent settlement would be concluded. (Dutt 1906, 175-6)

In 1803, the country between Yamuna and Ganga was annexed which was called Conquered provinces. Along with these, Bundelkhand and Cuttack was also annexed in the same year. In 1805, the regulations introduced in the Ceded districts were also introduced in the Conquered Provinces, giving the same pledge to the landholders of this country as given to the former. Settlements of 1, 3 and 4 years were made in succession and the last settlement was to be permanent, if agreed by the landholders. Two years after the pledge was repeated, but with the provision that the conclusion of the permanent settlement would rest on the validation of the Court of Directors.

Because of the severe land assessment made by the Company in 1803, a widespread famine occurred in 1804. It resulted in large remissions of the land revenue by the government; loans and advances made to the land owners; and an abundance was offered on grain exported into Banaras, Allahabad, Kanpur, and Fatehgarh.

In 1807, a Special Commission was appointed to supervise the settlement for 4 years which was to become permanent according to the regulations already enacted. (Dutt 1906, 177) In 1808, R.W. Cox and Henry St. George Tucker, the Special Commissioners, opposed the immediate conclusion of a Permanent Settlement in these provinces despite admitting the benefits of a permanent settlement. (Dutt 1908, 33)

Early during 1787 to 1795, Jonathan Duncan drew attention to the nature of *Patidari* tenures and of the rights of the local village communities. The Board of Commissioners, which was set up in 1807, attempted to consolidate the first rational arrangements on this basis of village settlement. Apart from using the help of local magnates, the British government employed contractor Tehsildars for the first 6 years, who were salaried with a percentage commission on what they paid into the government treasury. When these contractual tehsildars understood that the British were determined upon to introduce a village settlement and that revenue management right could continue to be held only when united with the proprietary or zamindari title, they boarded on extensive attempts to make their claims indefensible through all the devices of scam, especially in western or conquered provinces. In their place, a new form of intermediate landowner arose who owed his position to the manipulation of the powers of the office and legal forms and could call on the permission of British coercive authority to support them. This was evident in Allahabad and Kanpur where proprietary titles were transferred to a handful of government officials. 1818, T.C. Robertson, a judge, raised his voice against this. In 1821, a Special Commission got set up due to this, but it was unsuccessful. (Kumar, 42) The Board of Commissioners in the Conquered and Ceded provinces of Northern India consisted of Edward Colebrooke and Mr Trant. They submitted their report on land settlements in different districts which were Moradabad, Bareilly, Shahjahanpur and Rohilkhand. They pressed the need of permanent assessments in these districts. In 1819, in a minute recorded by Mr Dowdeswell, he also maintained his faith in the benefits of a permanent settlement. (Dutt

1906, 186) In 1820, Sir Edward Colebrooke recorded in his minute the continuous increment of the land revenue of Ceded and Conquered provinces during the 12 years from 1807 to 1818. He recommended that an assured restraint of the land revenue would leave to the landholders the fruits of their upgraded business. (Dutt 1906, 188) Along with Mr. Dowdeswell and Colebrooke, Messrs. Stuart, Adam, Fendall and the Governor-General Lord Hastings made an appeal to the Court of Directors for the degree of Permanent Settlement as undertaken by the British government which was needed for the richness of Indians. (Dutt 1906, 189-90)

In 1819, Holt Mackenzie, the Secretary to the Board of Commissioners, in his Minute, emphasised the existence of village communities in North India, recommended a survey of land, preparation of land right records, village by village (*mahal* by *mahal*) settlement of land revenue and revenue collection through village headman or *Lambardar*. All thoughts of a Permanent Settlement were abandoned in 1821 and the minute of Holt Mackenzie was accepted as a basis of the settlement. The idea was that the settlements should be made with the landlords where they existed and the village communities where they held land in common tenancy. It was entirely anticipated that the land tax should be fixed at a moderate rate. (Dutt 1906, 191)

Mahalwari Settlement

All these recommendations were accepted under the Regulation of 1822. Land revenue settlements were made on the basis of 80% of rental value, payable by zamindars. If the estates were held by the cultivators in common tenancy, it was fixed at 95% of the rents, i.e. to the entire rental action of 5% on account of *malikana* or such other rate not being less than 5% as government may determine. (Grover, 169) In such cases, the revenue collector was empowered to make a fresh partition of the lands of the village or of the proportion of the estate rent payable by each cultivator. The revenue demand was not to be raised in any estate unless it was clear that the landlords' profits exceeded one-fifth of the demand. In such cases, the assessment was regulated to leave the Zamindar and the others a net profit of 20% of the amount of the revenue demand. Thus, in an estate with a rental of £1200, the state demand was to be raised to £1,000 so as to leave to the landlord £200 or one-fifth of the state demand. The state demand was thus to be over 83% of the rental of estates. The revenue collectors were empowered to grant leases to cultivators specifying the rents payable by them. They were empowered to determine the rents payable, adjust accounts between the landlords and the tenants, and decide all matters connected with the lands, rents, leases and engagements between landlords and tenants. (Dutt 1906, 193)

This was known as the Mahalwari Settlement, the first comprehensive land act of Northern India, passed 20 years after Northern India was ceded to or conquered by the British. It was a modified version of Zamindari settlement. It was introduced in Ganga Valley, the northwest provinces, parts of Central India and Punjab. In Punjab, a modified Mahalwari system was introduced which was known as village system. In these areas too, the land revenue was periodically revised. (Chandra, 106-7)

One of the major disadvantages of the Mahalwari settlement was the privilege which the *Lambardar* and the other village headmen enjoyed. Such privileges were often exploited by them from time to time for their self-interest. They entered into an agreement with the government and were directly in negotiation with them in revenue matters. Hence, the *Lambardar* and few headmen acted as intermediaries between the government and the rest of the villages. These intermediaries took large areas of village lands under their own possession. Thus, the small tenants had an inferior status in the village and were often troubled by the powerful headmen. Those who possessed bigger areas of village lands often used smaller tenants as their cultivators. The latter actually got just a survival wage and the rest of the produce went into the pockets of the big owners. (Chopra, 180) Moreover, the settlement arranged no reasonable standard of rents payable by cultivators except of the revenue collector. It prescribed no unbiased margin of profits to landlords except a simple 17% of the rental. It was impossible for the people to recover their material condition by the gathering wealth under the settlement as the settlement fixed no limits to the state demand in future and the frequent settlements after the brief period of the first settlement was over. Thus, the system broke down ultimately by reason of its own harshness. (Dutt 1906, 194)

Table 4: Bird's Assessment of Land Revenue

Division	District	Land Tax Assessment (In £)
Delhi	Delhi	36,337
	Rohtak	62,831
	Gurgaon	101,424
	Hissar	38,020

Meerut	Saharanpur	100,558
	Muzaffarnagar	67,274
	Meerut	281,561
	Bulandshahar	95,168
	Aligarh	196,448
Rohilkhand	Bijnaur	112,237
	Muradabad	66,870
	Budaon	110,306
	Pilibet	39,049
	Bareilly	126,345
	Shajehanpur	102,707
Agra	Muttra	155,728
	Agra	139,297
	Farakkabad	149,575
	Mynpuri	138,238
	Etawa	131,093
Allahabad	Cawnpur	218,154
	Futtehpur	141,893
	Allahabad	215,650
Benaras	Gorakhpur	208,354
	Azimgarh	151,788

-Dutt 1908, 41

In 1833, with the revision of Charter Act, the East India Company ceased to be a commercial company and henceforward was to be concerned only with the administration. In the North-Western Province, the correct value of produce could not be assessed, so government demanded over 80% of the land rent, which was unrealistic. Lord William Bentinck confronted this severity and therefore made a new settlement. In 1833, the Regulation IX was enacted and the government demand was fixed at 67% or 2-3rd of the gross rental, for 30 years. However, arbitrary powers were granted to the settlement officers as they were solely interested in increasing the revenue, so rejected the humanitarian methods. They removed the middle-men to evade expenses on them. (Raychaudhary, 51) The Regulation of 1833 simplified the process of estimate preparation of produce and rents and introduced the system of fixing average rent for different classes of soil. Maps and field registers were brought in use for the first time. R. Mertinns Bird, remembered as the father of land settlements in Northern India, supervised this scheme. Now the land track was surveyed showing field boundaries and the cultivated and uncultivated land. Assessment for the whole track was fixed following by settling down the demand for each village, leaving to the *Mahal* powers to make internal adjustments. The work was completed under the administration of James Thompson, the Lieutenant Governor from 1843 to 1853. (Grover, 169)

Table 5: Total land revenue demand and collection in North India

<i>Year</i>	<i>Demands (in £)</i>	<i>Collections (in £)</i>
1838-39	4,554,899	3,630,215
1839-40	4,120,668	3,565,281
1840-41	3,764,261	3,470,402
1841-42	4,161,903	3,883,357
1842-43	4,391,890	4,048,812
1843-44	4,349,415	4,110,514
1844-45	4,345,885	4,128,744
1845-46	4,301,837	4,200,341
1846-47	4,307,700	4,232,122
1847-48	4,292,166	4,248,582

-Dutt 1908, 46

The revised settlements carried out under the Regulation IX of 1833 broke down in the whole or parts of 14 districts and held up in the others only because of a large margin of culturable waste. The total revenue demand continued to mount from ₹37.3 million in 1824-5 to ₹40.5 million in 1846-7. Yet, Kanpur, Hamirpur and Banda districts were the main beneficiaries. However, the reductions were annulled by the enhancements made in Gorakhpur, Muzaffarnagar

and Saharanpur where the existence of substantial forest waste was one of the reasons for steep increase of ₹30,00,000 made in these three districts alone. In 1856, when the Oudh was conquered, it added ₹10 million to the total revenue demand. (Kumar, 49)

In 1844, James Thompson issued his 'Directions for Settlement Officers and Directions for Collectors of Land Revenue' which remained the standard for reference for many years. According to this, the settlement was to be for 20 or 30 years and all the proprietors of a *mahal* were individually and jointly responsible for the land revenue. Still, the above-mentioned reductions were not enough and the revenue demand was yet too high. (Desai, 71) Elaborately described, it consisted of 95 paragraphs, laying down the principles and procedure of Northern Indian settlement. Under its provisions, the government could not demand more than two-third of what may be expected to be the net produce of the proprietor during the period of settlement, leaving to the proprietor 1-3rd as his profits and to cover expenses of collection. The cultivators could not be ejected from their land so long as they paid those rents. At fixed rates, they had a right to hold certain fields. Tenants at will have no right beyond the year of their cultivation. Thus, by 1849, the settlement of Northern India was finally completed. On 13th August 1851, the settlement was finally reviewed by the Court of Directors. Martin Bird's assessment was revised and reduced by the exemption of money rent free tenure. (Dutt 1908, 44-5)

The assessment of numerous scattered revenue free grants were resumed. Caution was shown towards numerous Hindu temple grants in the holy land of Mathura. In the previous year, it was reported by Edward Thornton that he raised the revenue of Saharanpur district by ₹125,000 in a single year by the renewal of *Muqfi* land. By 1840, some 2,81,241 acres of *muqfi* had been resumed in Rohilkhand. The key motive behind the policy was the maximization of the revenue resources of the province as acknowledged freely by Bird.

Under Bird's direction, the revenue continued to be rigidly exacted from the village communities. Despite official utterances, the process of public sale of revenue default was still being freely employed in the 1840s. For instance, in Aligarh where *talukdars* were seen invested in full or sub-proprietary right with the *biswadars*, the new village proprietors proved incompetent in meeting the revenue appointments and lost their titles comprehensively. Some 95,000 acres were transferred in the districts between 1839 and 1848. Thomson tried to check the movement by orders repeating that public sale must be as a last resort. By the early 1850s, land control was passing gradually into the hands of non-agricultural classes and the Board of Revenue in 1854 commented that in no country land regularly and extensively changed hands. As estimated, about 10% of the agricultural land already passed into the hands of Mahajans and unemotional *Baniyas* as termed by district officers. (Kumar, 51-2)

Saharanpur Rules, 1855

In 1855, under the 'Saharanpur Rule', Lord Dalhousie reduced the demands from 60% to 50%. This revenue system was later on extended in all the provinces outside the 'Permanent Settlement' regions. (Raychaudhary, 52) Unfortunately, the settlement officers interpreted the 50% rental value to mean half of the probable and possible rental of estates and not the actual rentals. Thus, the system fell heavily on the agricultural classes. (Grover, 16) Nevertheless, this rule is said to be the basis of land assessment in India till 20th century. This limit was gradually extended to all parts of India where land revenue was not permanently settled. After the annexation of central provinces, Awadh and Punjab, it was extended to these areas too. (Dutt 1908, 48-9)

ODUH

Alongside the Mahalwari system in Uttar Pradesh, there existed a *taluqdari* system in the districts of Oudh. A number of villages were placed under a *taluqdar*. The government entered into an agreement with *Taluqdar* for 30 years. *Taluqdar* was to collect stipulated revenues from different villages under his charge and deposited them with the government after deducting the cost of collection of revenues and his own salary for the laborious work. Unlike the Bengali Zamindars, the Oudh *taluqadars* had no real right over the lands under their charge, and they worked just as revenue collectors for the fixed period of the settlement, and not in permanency. (Chopra, 180)

PUNJAB

Table 6: Land revenue in the districts of Punjab

Division	District	Land Revenue (in ₹)	
		1850-51	1851-52
Lahore	Lahore	38,060	40,615
	Amritsar	86,739	102,474
	Dinanagar	89,935	94,034
	Wazirabad	108,338	114,017

	Shekhpura	31,916	38,322
Jhelum	Gujrat	59,387	59,856
	Jhelum	69,573	72,098
	Rawalpindi	82,498	82,084
	Shahpur	41,234	34,367
Leia	Leia	48,444	54,378
	Khungarh	49,567	48,492
	Dera gazikhan	45,578	47,278
	Dera Ismaelkhan	48,987	50,623
Multan	Multan	56,430	60,367
	Jhung	27,897	34,984
	Pak Pattan	25,767	38,312
	Peshawar	89,308	71,969
	Hazra	18,895	16,803
Total		1,018,502	1,060,989

-Dutt 1908, 91

After the Second Treaty of 1846 December, Henry Lawrence was appointed the first resident in Punjab. As resident, he was practically the ruler of Punjab. Out of his reform work, the first one was the substitution of British system of collecting land revenue in money, replacing the old system of payment in kind. The state demand was nominally reduced. Still, the cultivators found no relief under the summary settlements and money assessments made by the British officers. Nevertheless, Lawrence was more successful in other respects. He carried out his ideas and controlled the administration through the able and efficient officer selected by him. Repressive duties and government monopolies were abolished. (Dutt 1908, 84)

After the resignation of Henry Lawrence, his brother Sir John Lawrence was made the Chief Commissioner of Punjab. He followed the policy of Lord Dalhousie in assessing low revenue and liberal margin to the occupiers of the soil. This will increase their cultivation and put the revenue almost beyond the reach of bad seasons. However, the assessment was not low. Like the other provinces, here too, it raised rapidly after British occupation. In 1847-48, the land revenue was £820,000. Within three years, it went up to £1,060,000. The prices fell and the cultivators were distressed because they were required to pay their revenue in money. (Dutt 1908, 90) Fortunately, within a few years, the Punjab administration corrected the mistake. The land tax was reduced to 1-4th and then to 1-6th of the gross produce. In addition to this, the cultivation was extended, revenue rose, and the actual collection also had an increase. (Dutt 1908, 92)

Table 7: Land revenue over the years

<i>Year</i>	<i>Land Revenue</i>
1817-19	£ 12,363,634
1827-28	£ 13,754,703
1837-38	£ 11,853,975
1847-48	£ 14,437,254
1857-58	£ 15,317,911

-Grover, 175

Both the zamindari and the Ryotwari system departed fundamentally from the traditional land system of the country. A new form of private property in land was created in such a way that the benefit of such an innovation never went into the hands of the cultivators. The land was made saleable, mortgageable and alienable all over the country. Everything was done primarily to protect the government's revenue. Now, the cultivator could borrow money on the security of the land or even sell part of it and pay his land revenue. Otherwise, the government was free to auction his land and realize the amount. By such a system, a fundamental change was introduced in the existing land system in the country. The stability and the continuity of the Indian villages were shaken and the entire structure of rural society began to break up. (Chandra, 107)

The increasing demand of revenue made cultivation uneconomical. The company could not export enough food grains to Britain. Therefore, the revenue policy was formulated with the objective of making the revenue alterable, adaptable and not much demanding. The aim was to meet the rising demand of industrial Britain and prevent rural discontentment. Overall, this tactic changed the approach of the landlords as well. Now, the community feeling was replaced by greed and selfishness. It was not beneficial for the government either as the reasons for 1857 revolt were intensified. (Raychaudhary, 52)

The preceding regimes of the East India Company regarded land revenue as a tax very depending upon the good or bad harvest. But the company, regardless of the condition of the harvest and the weather, enforced the demand with rigour of British law. A severe deflation in India was caused due to the scarcity of money and prices always remain depressed throughout the first half of the 19th century. In the temporary settled provinces, a limit to the upward revision of the revenue demand was set. Enhancement of the revenue assessment meant a further reduction in the buying power of the peasantry. The conditions of corruption, low prices, and reduced buying power left no prospects for the economic growth of the country and the parasitical company lived on its paralyzed host. (Rothermund, 21)

Above all, the most alarming was the steep rise in the land revenue which was the principal cause for poverty in India. Land revenue was too heavy, fluctuating, and uncertain as it was raised at each revision. During the beginning of the British rule in the 18th century, it was 80% of the rental in North India, 90% in Bengal, while it was just 5-20% in England. Moreover, the system suffered from large variations and the burden differed from province to province or within same province. In Bengal, the rate was 150% higher in areas temporary settled than in areas permanently settled. Within permanently settled, the maximum rate was 7 times the minimum. (Desai, 66-7) Thus, by 1858, the Indian economy lacked the basic elements of progress. The agricultural development was held up because the cultivator lacked the resources for investment in the improvement of the soil and the purchase of modern equipment. He was forever dependent on the moneylender for credit to pay the land revenue, and sometimes even for his bare subsistence. (Chand, 224)

Table 8: Change in Land revenue in different provinces

<i>Province</i>	<i>Land Revenue (in lakhs of £s)</i>		<i>Period of change etc. (Remarks)</i>
	<i>Pre-British</i>	<i>Under British</i>	
Bengal	8	27	Became nearly 3.5 times in 30 years.
Bombay	8	15	Nearly doubled in few years, and was still increasing.
North India	20	29	Became nearly 1.5 times in 11 years (1807-18)

-Desai, 66

It can be concluded that the general impact of the East India Company's revenue systems and excessive state demand turned the Indian rural economy upside down. The village panchayats were deprived of their main function of land settlement. The Patil merely acted as a government official charged with the duty of revenue collection. The introduction of the concept of private property in land turned land into a market commodity. Social changes also occurred. The new social classes like landlord, trader, moneylender and the landed gentry rose in importance. The class of rural proletariat, the poor peasant proprietor, the sub-tenant and the agricultural labour multiplied in number. The climate of cooperation gradually gave place to the system of competition and individualism. (Grover, 171)

UNDER CROWN'S RULE (1858-1947)

The land revenue policy of the British government in India divided the agricultural class into two rival camps—the zamindar class versus the tenant and the agricultural labour. The government's excessive land revenue demand strengthened the moneylending class, which emerged as the new 'bloodsucking' class in rural India. Exploitation of the poor and illiterate classes was also done by the new judicial system introduced by the British. Overall, the rural masses were pushed below the poverty line. (Grover, 207) British agrarian policies were shaped essentially by a blend of greed for more revenues and longing to increase certain types of agricultural production for export.

BENGAL

The Bengali zamindars were almost free to extract as much rent as they liked and because the revenue continually remained fixed, they obviously favoured feudal and exorbitant exploitation to chancy investments in capitalist farming. Regularly subdivided and uneven zamindaris (by the late 19th century, 88.5% of 110,456 permanently settled estates of

Bengal and Bihar were less than 500 acres in size) with a mass of intermediate tenancies below them provided the key economic basis for the Bengali *bhadralok*.

However, the minor zamindars and tenure-holders were not always chiefly rich. In 20th century, they were hard hit by mounting prices, weakening employment prospects in government services or professions, and some restrictions on rent-enhancement. But their landed income continued to be of opportunistic nature. (Sarkar, 29)

Under the landlord tenure, almost all the land was cultivated by tenant. However, there were many evils which they had to face. The intermediaries extracted the most from them. The rents were high so the tenant was not left with any inducement for refining his land. Above all, his tenure was not secured and his tenancy could be transferred to another for a higher rent. Another evil was of crop-sharing in which landowner generally claimed even half of the crop, without any contribution in labour and capital. To this adds prohibited exactions like payments and a variety of other personal services rendered by the cultivator. (Desai, 76)

Bengal Rent Act, 1859

For remedying the lot of such tenants to some extent, in 1859, Lord Canning enacted the Bengal Rent Act (Act X of 1859). It is considered as a charter of the Bengal cultivation. It divided the settled cultivators of Bengal into 3 classes. The law declared that the rental should remain the same for all the time to come for those who held lands at the same rent since 1793. All those who had held lands at the same rent for 20 years, the law presumed that they had paid the same rent since 1793 until the contrary was proved. Occupancy was considered of those who had held lands for 12 years. Their rent could not be raised in future except on specific and reasonable grounds laid down in the law. (Dutt 1908, 263-4)

Table 9: Proportion of rent to the soil in districts of Bengal

<i>District</i>	<i>Proportion of rent to the average produce (in %)</i>
24 Pergana	10
Nadiya	7
Midnapur	8
Hughli	14
Birbhum	15
Backerganj	9
Noakhali	9
Tipera	9
Rajshahi	13
Gaya	14
Balasor	11
Muzaffarnagar	16
Cuttack	14

-Dutt 1908, 462

In 1885, another Tenancy Act came for the tenants. It said that to acquire an occupancy right under it, the tenant was to cultivate any piece of land for 12 years, not necessarily the same one. It was extended to non-occupancy tenants also. Like all, this was also unsuccessful. Rents continued to increase on the grounds of rising prices until 1928, when occupancy holdings were made transferable. Such tenancy acts were initiated in other Zamindari provinces like U.P., Bihar, Orissa and the Punjab and the Ryotwari Provinces of Bombay and Madras. The results were similar as above. (Desai, 76-7)

From the table, it can be concluded that no district has the rental as high as 1-5th of the produce. The average rent amounts to slightly more than 11% of the gross produce of the land. (Dutt 1908, 461)

CENTRAL PROVINCES

In 1863, a long-term settlement began in the Central provinces which recognized the proprietary rights of the *Malguzars* (revenue-farmers under the Marathas) and limited the state demand to half of the rental. It was made for 30 years. It turned out to be a boon to the harassed population. (Dutt 1908, 335)

Ryotwari Settlement in Sambalpur

In 1876, Colonel Keatinge, upon succeeding Sir Richard Temple, superseded the decision of Temple of introducing Malguzari Settlement and introduced Ryotwari Settlement. Under this, proprietary rights were denied and suspended. Revenue-payers were considered to be occupants of their villages. They were to be salaried by authorization to hold their home-farms revenue-free. They were permitted to keep waste lands' rents brought under cultivation during the Settlement. They were made proprietors only with regards to their Bhogra lands. This settlement was made for 12 years, from 1876 to 1888. (Dutt 1908, 475)

In 1883, for the Central Provinces, a Tenancy Act was passed which recognized that the absolute occupancy tenants will have full powers of transfer and their rents were fixed at the settlement for 30 years. The powers of transfer would be under certain conditions and their rent were fixed by settlement officer for 10 years. The ordinary tenants will have power of transfer subject to the landlord's consent and their rent were fixed for seven years. The aim of the Act was the protection of cultivators, but bears hints of reluctance of the government to recognise the proprietary rights of the Mulguzars. The settlement officers here intervened for settling the rents which tenants should pay to their landlords. (Dutt 1908, 476-7)

In 1898, an amending Rent Act was passed. It provided that the rent of ordinary tenants shall be fixed by settlement officers for seven years and provisions were made restricting the alienation of home-farm lands by landlords and the transfer of their rights by occupancy and ordinary tenants. But this act too did not improve the position of the tenants. (Dutt 1908, 487)

MADRAS PRESIDENCY

In 1864, in the Madras Presidency, the land revenue was dropped from the maximum to half the net value of the crop. Now the farmer was left with a net income of 25 to 27.5% of gross produce at the minimum. This revision was to be every 30 years, with ryot having the complete right to sell or mortgage. This led to the rise in his credit, increased his debts, and ultimately his land got transferred to the moneylender. The soil was divided into dry and wet. It was classified according to productive capacity which was by calculating the money value of the average, estimated crop and deducting from it the cost of cultivation. Grants were made for the transportation cost, trader's profits, uncertain monsoons, etc. No tax was imposed on the progresses by the ryot. (Desai, 74)

BOMBAY PRESIDENCY

In 1866, resettlement work was taken up in Bombay Presidency. Due to the American Civil War, the demand for Bombay cotton temporarily pushed up the prices. This boom gave an opportunity to the survey officers to push up the assessment by 66% to 100% without giving any right to the cultivators to appeal to a court of law. This resulted in the Deccan Agrarian riots of 1875. The peasants of the Deccan Highlands attacked their *Marwadi* moneylenders and tore and burnt the bonds they could capture.

Deccan Agriculturists' Relief Act, 1879

In response to this, the government enacted the Deccan Agriculturists' Relief Act of 1879. It provided relief against the moneylenders but did nothing to confine the excessive state demand which was the root cause of all the troubles. (Grover, 171) It enabled the courts to go beyond the letter of bond in case of small debtors, to lay down what amount they should pay and to grant them a discharge for the balance. It gave the full protection of an insolvency act in the case of debtor owning large sums. Moreover, the agriculturalists should not be arrested or imprisoned in execution of a decree for money. Their immobile property should not be attached or sold in implementation of a decree unless it had been definitely forfeited. The powers of survey and settlement officers were made absolute. (Dutt 1908, 333-4) However, this was a difficult scheme. The definition of an agriculturist created problems because of moneylender who held some land could also claim to be an agriculturalist. The British sponsors wished to apply this to all of India but it was restricted only to the Deccan districts. (Rothermund, 46)

Earlier in 1876, the Bombay Revenue Jurisdiction Act was passed which excluded the jurisdiction of civil courts in the matters of assessment. In 1879, the Bombay Land Revenue system was expansively treated and legalized in the Revenue Code. The code was excellent, as it clearly stated the cultivator's right of inheritance and transfer in respect of their holdings. However, the Code gave no protection against undue enhancements and no security against excessive

assessments in violation of the principles laid down in 1856 and 1864. (Dutt 1908, 333-4) In 1939, rental value was accepted after the introduction of Provincial autonomy. (Desai, 73)

Bardoli Satyagraha, 1928

Post First World War, the peasants were enjoying the benefit of low rate of land revenue. Revision of settlements was usually done after a period of 30 years so most of the districts still enjoyed a low pre-war rate. However, those districts who had their revision settlement in 1920 faced sheer rise of the revenue demand. This was the case with Bardoli *Taluqa* of Surat district in Gujarat in 1925 where the settlement officer recommended an increase of 29%. Upon the protest done by the peasants, the Government of Bombay Presidency reduced the enhancement to 22%. Thus, Bardoli Satyagraha was organised in 1928 under the leadership of Vallabhbhai Patel which was a no tax campaign on behalf of the Indian National Congress. Due to an amazing display of solidarity by the peasants, the government finally had to concede and accept an independent enquiry after which the enhancement was reduced to 6%. Further enquiry into the matter revealed that the standards of assessments were highly illogical. For improving such situation, the Bombay government wanted to introduce new revenue legislation but this took time and no further revision settlements were attempted. The government was already anxious of the widespread peasant unrest in India. (Rothermund, 84)

ODDH & NORTH-WESTERN PROVINCES

Under Sir John Lawrence, the first Oudh Rent Act (Act XIX of 1868) was passed when the first settlement was still in progress. It gives fixity of tenure to expropriatory tenants without creating new rights or recognising occupancy tenants. It forbids the heightening of rents in respect of their holdings except by order of a court of law and equity.

In the Northwestern province, the Land Revenue Act (Act XIX of 1873) was passed under the administration of Lord Northbrook. The law was simplified by the repeal or modification of over 50 previous Regulations and Acts. Older methods of survey were replaced by a cadastral survey. The rental of each estate was revised and adjusted by settlement officers after local inquiry. The government land revenue demand was fixed between 45% to 55% of the rental. (Dutt 1908, 268) The government revenue, assessed on the revised rentals of the estates within a fiscal circle, were the revenue of that circle. Contrary to this, the revenue demand in a fiscal circle was fixed by guesswork under the old system. (Dutt 1908, 269)

In 1887, the Revenue Board issued new rules regarding land revenue assessment in Northern India. Rent was to be based in each village on the actual rentals recorded in village rent rolls, corrected where necessary. The settlement officer was not free to add to these rent rolls any estimate on account of a potential rise in rents or potential increase in cultivation. (Dutt 1908, 462)

PUNJAB

The Tenant Act (Act XXVII of 1868) was passed to save the cultivators in Punjab. It was supported by Sir Henry Maine and Sir John Lawrence. The Act defined the position of tenants with the rights of occupancy and protected them against enhancement except under rare conditions. It recognised their power to alienate tenures. The act specified the improvements and compensation which the tenant should receive. However, considering the act as grossly discriminatory it was resented by many people in India but the peasants in Punjab considered it to be a treat conferred upon them and resented any attempt to amend it. After three years, the Tenant Act was enacted and the Punjab Land Revenue Act, Act XXXII of 1871, was passed under Lord Mayo's Viceroyalty. (Dutt 1908, 270)

Punjab Land Alienation Act, 1900

In 1900, the Punjab Land Alienation Act was passed by Charles Rivaz which divided Punjab population under 3 heads, i.e., the agricultural classes, the statutory agriculturalist class (those who though not belonging to the agricultural class, long settled interest in the land), and the rest of the population including the moneylenders. Restrictions were imposed on the sale and mortgage of the land from the first category to the other two categories, though members of the second and third category could sell or mortgage land at their will. It was an experimental measure which was to be extended to the rest of the country if it worked successfully in the Punjab. Punjabi peasant was given partial relief against oppressive incidents of land revenue demand by the government, extending the Saharanpur rules to Punjab whereby the state land revenue demand was not to exceed 50% of the annual rental value of land. (Grover, 350)

Subsequently, in 1903, the Bundelkhand Land Alienation Act, in 1904, the Northwest Frontier Province Land Alienation Act and in 1916, the Central Province's Land Alienation Act were passed on the lines of the Punjab Act. However, these measures failed to achieve their object as the moneylenders found some loopholes which they fully exploited. In Punjab, the bigger landlords found the opportunity to extend their estates at the expense of small cultivators. This is borne out by the increase in the total area mortgaged by the agricultural tribes and in the amount of mortgage money after the passing of the Land Alienation Act. From 1902 to 1906, the total area mortgaged was 1,89,810 acres and the mortgage rate was ₹62 per acre. The condition of the rent paying tenant was equally helpless. (Chand, 238)

POLICY OF LORD RIPON (1880-84)

In 1793, Lord Cornwallis established the permanent settlement in Bengal, which transformed the tax collectors who were zamindars into landlords and placed the ryot at their tender mercy. There was a proposal in front of the government for 20 years for establishing a permanent settlement of land revenue on the model of Bengal throughout India. However, Lord Ripon disfavoured this. He sought to modify the permanent settlement even by proposing to give the ryot an assurance of permanence and security, while at the same time committing the government not to make any further enhancements of land revenue, except on the ground of rise of prices. This was opposed by the Zamindars of Bengal. The peasants of Bengal also did not support it as they feared that the Anglo-Indian bureaucracy would be worse than the zamindars. Moreover, Ripon's proposal did not find favour with the Secretary of State too. (Grover, 216)

On 16th January 1902, a land resolution was adopted by Viceroy Lord Curzon. It aimed at greater elasticity in revenue collection and the policy of reduction of assessment in cases of failure of crops. If there was to be any increase in the land revenue demand at the time of settlement, it was to be proceeded. (Grover, 221)

The anti-industrial policy increased the pressure on land as people had no option other than living on agricultural yields. The land plots were divided into smaller holdings. All this led to inactivity and deterioration of agriculture. Yield was low and labour was going waste. Cultivation went uneconomical and majority of cultivable land turned into jungles. The landed aristocracy gave birth to a class of non-cultivating rent receivers.

Table 10: Population dependent on agriculture

<i>Year</i>	<i>Percentage of population dependent on agriculture</i>
1891	61.1%
1901	66.5%
1911	72.2%
1921	73.0%

-Grover, 446

This system of small holdings and landlordism increased indebtedness of rural population. According to the report of Central Banking Inquiry Committee, the estimated debt in 1921 is £400 million and increased to £675 million in 1931. The Agricultural Credit Department reported that the debt increased to £1,330 million by 1937. This indebtedness made the moneylenders more commanding and speculators were in their prime. The dominance of the speculators crashed down the prices of agricultural products during the harvesting period but touched its highest limits during lean years. The peasants under debt had to sell their products at the cheapest rates and later purchased in at enormously high rates. (Raychaudhary, 53)

Table 11: Change in % share of different taxes in total government revenue

<i>Percent of total revenue</i>	<i>1858-59</i>	<i>1920-30 (Average annual)</i>
Customs	8	26
Land Revenue	50	20
Salt and Opium	24	Negligible
Excise	4	17
Income tax	0.3	10

-Roy, 251

At any time in the 19th century the most important tax was land revenue. It was as high as 50% of the total revenues in 1858-59. However, over the next 90 years, especially after the First World War, the pattern of taxation changed and the land tax decreased steadily to about 20% of revenue in the 1920s. Income tax, Customs and Excise had expanded that combined share to over 50%. The reason for the decline of land tax can be stated. The proportion of the value of agricultural production declined from possibly 10% of net output in the middle or early 19th century to less than 5% in 1930s. The Association of Landlords continuously campaigned against taxation. The factor of income inelastic nature of the tax was also instrumental. During the latter half of the 19th century, agricultural output grew, but land tax did not grow at the same pace. In the permanently settled areas, the tax amount was fixed. The attempts to revoke permanent settlement on financial grounds also failed. So, the Government tried experimenting with customs and income tax due to financial severity from the mid-19th century. (Roy, 250)

Up to the First World War ending in 1919, land revenue remained more or less the same, but the agricultural prices rose very sharply. At the time of Great Depression of 1929, farm prices collapsed and this increased the burden of land tax seriously. During and after the Second World War (1939-45), prices rose steeply again and the burden of the tax was reduced consistently. At the time of rising prices, it is the larger landowners who get maximum benefit as only they have a significant surplus to sell. Since 1930, there was hardly any significant revision in the land revenue assessments. (Desai, 75) Along with the peasants who were benefiting from the current situation, the tenants also gained from the rising prices as landlords were prevented by tenancy law from enhancing the rent by more than 1% per year. (Rothermund, 84)

Table 12: Growth of Land revenue receipt

<i>Year</i>	<i>Receipts (₹ crores)</i>
1860-61	18.15
1870-71	21.08
1880-81	21.11
1890-91	24.04
1900-01	26.22
1904-05	28.39

Chand, 230

During 1937-39, under Provincial Autonomy, grievances of the tenants were again tried to redress. The measures undertaken were the limitation on the increase of rents, along with the fixity of tenure. The tenants could not be arbitrarily expelled. The land was made heritable and could sometimes be transferred. Tenants would be benefitted in rent of suspension of land revenue, would be compensated for land improvement and would be protected against personal service. Hence, a landlord's privileges were now curtailed in a good amount. However, these ideas and policies could not be implemented well for long due to the Second World War. (Desai, 78)

Most of the provincial governments in British India were afraid of these legislative interference as they believed it would threaten their revenue system. They therefore diverged from passing such legislations. Few of them went for tenancy legislation which stipulated that the tenant could not be affected as long as he paid his rent and that this rent could not be enhanced beyond a certain specified rate. The definition of the rate and the period and further enhancement clause varied from province to province. In general, the rate of allowable enhancement was 1% per year. In few provinces, transference of occupancy right was prohibited while in others it was permitted with the permission of the landlord who could then recover what he had lost in terms of rent by asking for a handsome remuneration, known as *Salami*, when confirmatory to the transaction. This could lead to conflicts whenever the prices were falling and peasants' income would be reduced as the landlord retained the right of evicting a peasant who owed him arrears of rent. This situation occurred after India was hit by the Great Depression in the 1930s. (Rothermund, 47)

Summing up, a great many real reforms were affected. Protection was given to the cultivators of Bengal, Awadh and Punjab against unfair enhancement of rent by private landlords. In Northern India, the system of settlements was improved and assessments were now made on concrete basis of the rental of villages. Madras cultivators were also

relieved by the introduction of 30-year settlement rule. Bombay cultivators were helped by the Agricultural Relief Act and by the Revenue Court. However, there were some cardinal defects from which agriculture still suffered. Enhancements were not limited by definite and specific rules at revision settlements. Assessments often absorb the whole rental in Madras and Bombay and the half rental rule was not implied. No independent tribunals watched the enforcement of rules. The half rental rule was violated by special cesses on land along with the land revenue. (Dutt 1908, 335)

Talking about the compulsions leading to such kind of legislations by the government, these legislations led to the rise of capitalist agriculture which in turn induced the landlords to evict tenants and cultivate their land with hired labour. But the dynamics of the monsoon made large scale operations risky and it was better to let numerous small peasants at risk and restrict oneself into the extraction of whatsoever extra one could get from them. In such a case, the government, landlord and the moneylender competed with each other. In the ryotwari settled provinces, which were directly assessed with the peasants, it was difficult for the revenue authorities to raise the revenue so as to keep up with the rising prices. Such revenue settlements were revised once in 30 years on the basis of average prices prevailing in the decade before the respective revision. The landlords and moneylenders enhanced their demand much quickly unless restricted by the Tenancy or Relief Acts. Peasants evicted by landlords and debtors who were barred were usually not driven off the land but remained there tilling it as before but under less favourable conditions. (Rothermund, 48)

AGRICULTURAL BACKWARDNESS AND INDEBTEDNESS OF THE PEASANTS

One of the major causes of the agricultural backwardness and poverty of the peasant was the land tenures and the land revenue systems. The tenure system gave birth to a number of evils like absentee landlordism, rack renting, economic serfdom of tenants, etc. The absence of any single system of recognized principles made the revenue system immoral and chancy.

Because of the smaller size of the holding, the agriculturalists could not reap the benefit of the rising prices and increase of foreign demand for agricultural produce. According to the estimates, the average size of holdings in the Deccan decreased from 40 acres in 1771 to 17 acres in 1818 and from this to 7 acres in 1915. Of these holdings, 60% were less than 5 acres each and thus were of uneconomic size. In addition to this, these holdings were split into strips scattered over a wide area. On an average, each holding was subdivided into 5 to 8 strips. Due to this, the cost of cultivation was increased in relation to the yield and caused much wastage of time and labour of the cultivator and emphasized the uneconomic character of the cultivation.

Other factors which contributed to the misery of the agricultural population was the gradual decrease of the area held by the peasant and proprietor, the growth in number of tenants, paying cash and grain rents to the middle-men, the replacement of habitual by competitive rent, and the arbitrary ejection of the tenants by landlord. (Chand, 231-2) But in the Zamindari areas, the greatest evil for the cultivator was rack renting. In Bengal, sub-infeudation and rack-renting were widespread. Sub-infeudation created a hierarchy of greedy intermediaries, and the powers vested in the Zamindars by law opened the floodgates of oppression. The protection given by the Government by the Act of 1859 just protected small sections who were giving occupancy rights. Thus, the Act was ineffective. (Chand, 238)

By the end of the 19th century, the moneylender had become a major curse of the countryside and an important cause of the growing poverty of the rural people. Total rural debt was estimated at ₹300 crore. By 1937, it amounted to ₹1800 crore. The pressure of taxation and growing poverty pushed the cultivators into debt, which in turn increased their poverty. In 1950-51, land rent and moneylenders' interest amounted to ₹1400 crore, which was roughly equal to 1-3rd of the total agricultural produce of that year. The poverty of the peasant was constant along with the increase in the occurrence of famines. (Chandra, 186-7)

Peasant indebtedness increased during high prices. While revenue and rent were fixed for long periods of time, interest rates could be quickly adjusted to the prevailing conditions. Moneylenders nevertheless charged very high nominal interest rates which were designed to keep the debtor in debt forever. The effective interest rates varied with the ability of the debtor to pay his dues. In this respect, the moneylenders were flexible as they did not want to starve the debtors as they lived on their work. The year 1920 witnessed a rapid expansion of rural credit as well as rising land prices which always rose much more than the prices of produce. The period of high prices contributed to the further expansion of the superstructure of indebtedness and high land prices which were insecurely pressed on a rather shaky foundation. Under the conditions of stagnant production, Indian agriculture nevertheless experienced at first a period of high prices and subsequently a severe and prolonged depression which cost widespread misery in the Indian countryside. (Rothermund, 84-5)

Thus, The East India company and the British government in India passed the legislations regarding land revenue collection and tenancy not with the aim of improving agriculture in India but simply for political reasons. (Rothermund, 48)

CONCLUSION

The period between 1740 and 1947 was a dynamic era for land revenue administration in India. The British East India Company's enlargement and consolidation of power led to the introduction of various land settlements and acts that shaped the country's agrarian landscape. While these reforms officially aimed to increase revenue collection and promote economic growth, they often ignored the happiness of Indian peasants, which led to widespread discontent. The Permanent Settlement of 1793, introduced by Lord Cornwallis, was a breakthrough that fixed revenue demands on zamindars. However, this system led to exploitation of peasants, as zamindars were free to extract as much revenue as they wanted from their tenants. The Ryotwari Settlement, introduced later, attempted to address these issues by making individual peasants responsible for revenue payment. Still, it resulted in unnecessary assessment and land alienation. The British government's introduction of the Land Acquisition Act of 1894 enabled the state to acquire land for public purposes, but it was often used to deprive peasants and transfer land to British enterprises. The land revenue administration system established during this period had far-reaching consequences. It led to the concentration of land ownership, exploitation of peasants, and limited economic growth. The legacy of these policies continues to influence India's agricultural sector, with many small farmers still struggling to access land and credit. In conclusion, the land revenue administration in Modern India between 1740 and 1947 was marked by policies that prioritized British interests over those of Indian peasants. While these policies aimed to increase revenue collection, they ultimately led to widespread discontent and shaped the country's agrarian relations for centuries to come. Understanding the historical context and impact of these policies is vital for developing effective land reform enterprises that promote reasonable, impartial and justifiable agricultural development in India.

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