CHAPTER II
CAUSES OF AGRICULTURAL INDEBTEDNESS IN ORISSA FROM AN HISTORICAL PERSPECTIVE

Section 1. Rent Burden on the Peasantry in Coastal Orissa

The first British land revenue settlement in the districts of Cuttack, Balasore and Puri was made in 1804-05 with the zamindars; the revenue demand was pitched at Rs.13,14,825.\(^1\) During the last years of the Maratha rule, which preceded the British rule, the annual revenue collections were between Rs.10,80,770 and Rs.12,00,000, despite the highly oppressive methods adopted by the former.\(^2\) The settlement of 1804-05 was followed by a series of short settlements, current for only 1 to 3 years at a stretch. Till 1819-20, the land revenue demand was steadily raised. In 1818-19 the demand was fixed at Rs.16,37,924,\(^3\) at least an increase of Rs.4,37,924 (i.e. 36.5 per cent) over the Maratha demand, brought about in the course of

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2. See Ibid., p.35, and letter from W. Ewer, Commissioner, to W.B. Bayley, Acting Chief-Secretary to Government, dated Calcutta, the 13th May 1818 (henceforth cited as Ewer's Report), printed in Selections from the Correspondence on the Settlement of the Khoordah Estate in District of Poores, (Calcutta, 1879), para 54.

3. Toynbee, op. cit., p.96.
only 15 years of British rule. By that time, the land revenue demand on the 3 districts was "assessed equally highly with some and more highly than other districts in Bengal and Behar of acknowledged value, richness and fertility". 4

The increases in the revenue demand were brought about without any reference to the condition of the people, the productive ability of land etc. and was not based on any detailed assessment of total rent or changes therein. The assessments were essentially guided by the motive of maximising the revenue from land without any consideration of the ability of the assessee to meet the demand. 5

In addition to its heaviness, the British demand was inflexible in both amount and timing of collection, unlike the Maratha demand. The latter had always granted remissions of revenue during years of crop failure. The coastal districts were typically subject to floods, inundations as well as drought. Since 1804 there were many instances of heavy loss of crop either due to excessive rainfall or lack of it. But no remission of revenue was ever granted. 6 Furthermore, failure to pay revenue led

5. Toynbee, op. cit., pp. 37 and 43.
6. Ewer's Report, Paras 83 and 84.
to the sale of the estates. For instance, there was severe
drought in 1806-07 and 266 estates were sold for their
inability to pay the revenue. 7

The severity of the British land revenue demand can
be gauged from the fact that during the period of short
revenue settlements, every increase in Government demand
was accompanied by a fall in the collections, and a large
number of estates were sold to recover the uncollected
amount. Moreover, many estates came to be held khas by
the Government, following the refusal of their proprietors
to engage for the assessed revenue. The proportion of the
average annual demand collected during the currency of the
settlement declined from 94% to 27% between 1805-06 and
1818-19. During the same period, 1129 estates paying
total revenue of ₹9,65,984 were sold for arrears of revenue.
In spite of this, the outstanding arrears of revenue amounted
to ₹12,22,748 in 1817-18, or three-fourths of the annual
revenue demand. 8

As a consequence of the British land revenue policy,
almost two-thirds of the original proprietors were dis-
possessed during the first 15 years. In 1818 the revenue 1818

8. Ibid., pp.52-3.
paid by the original proprietors who managed to retain their estates accounted for Rs.4,60,000 in the total of Rs.13,93,000.9

The new zamindars who came to hold land through auction-purchase were more severe in rackrenting their ryots,10 perhaps because they were uninhibited by any 'patron-client' relation that might have restrained the earlier zamindars. Moreover, they came down heavily upon the intermediary tenure holders, such as mokaddams and sarbarakars, without whom they could collect and appropriate more. The intermediary tenure holders had hitherto enjoyed near sovereignty, the privilege of sale or mortgage with respect to their rights, as in the case of their superiors viz. zamindars and talookdars. In the estates of the auction purchasers they were "very generally annihilated", and in the few estates where they survived they were reduced to "mere lease-holders".11

During 1837-45, the first efforts were made by the Government to enquire into the various questions relating to the fixation of revenue and rent. A detailed survey of

9. Ewer's Report, para 76.
10. Ibid., para 36.
11. Mr. Stirling's Minute on Tenures in Orissa, dated 10th Oct. 1821 (henceforth cited as Stirling's Minute), printed as an appendix to Toynbee, op. cit., para 73.
the assessed area was made. The rent and revenue were fixed by field-to-field enumeration, considering the quality of the soil and crops grown etc. All the rights to land such as those of the numerous undertenures were ascertained. The total revenue demand was fixed at Rs.16,89,630. Although the overall high revenue demand was maintained, the inequality in distribution of the total demand was reduced to some extent. The settlement took effect from 1837 and was originally intended to expire in 1867. However, due to the Great Orissa Famine of 1866, the term of the settlement was extended up to 1897.

During the initial years of British rule the zamindars had experienced great hardship in meeting the revenue demand and their share in rent was small compared to the revenue collected by the Government. By the settlement of 1837 they were allowed 36% of the total assets as malikana. However, the conclusion of the settlement


operation was followed by a drastic fall in agricultural prices. The prices continued to be low up to 1855 and then started rising. In the meanwhile the Government's revenue demand was stationary till 1897. But the zamindars' rental income increased significantly due to increases in the rent rate, brought about by increasing population pressure on land and rising agricultural prices, and extension of cultivation. The gross rental rose from Rs.21,38,000 in 1837 to Rs.34,09,000 before the settlement operation of 1897, that is by 59%. The zamindars' share increased from 36% to 60%; in absolute terms their income rose from Rs.7,56,000 to Rs.20,27,000 or by 168%. In addition to the rent, several illegal abwabs were levied on the peasantry which constituted a major source of their income. Thus, towards the end of the nineteenth century the zamindars appropriated the bulk of the rent. Their prosperity was evident from the fact that during 1845-99, estates paying only Rs.1,41,298 were sold for arrears of revenue.

15. Ibid., p.395.
Those subproprietary tenure holders who had managed to survive the onslaught of the auction purchasers, shared the prosperity of the proprietors during the second half of the nineteenth century. Their rights came to be recognised and protected more systematically by the Government from the settlement of 1837. Like their superiors, they enjoyed a sizeable increase (more than 300%) in their income during the period intervening between the two settlements. 18

At the time of the British conquest there were two broad categories of peasant cultivators namely, the thani ryots or resident cultivators of a village and the pahi ryots or non-resident cultivators. The thani ryots enjoyed hereditary occupancy rights. On the other hand the pahi ryots were legally tenants-at-will. However, as they freely moved from village to village while the land-man ratio was favourable, they paid a "far lower rate than the tenant attached permanently to the soil". 19 The thani ryots were exempted from paying rent for their house-sites. They also generally received preference in cultivating the rent-free land of their villages. But these advantages hardly justified the higher rent rates paid by them.

19. Stirling's Minute, para 64.
All extra impositions, legal and illegal, were levied upon the thani ryots and were gradually consolidated with their rent. Since 1804-05 all increases in Government demand descended on them with greater vigour, under various garbs.20 One such cess was called Isafeh Sircar.21 In as early as 1821, the rent obligations of thani ryots had risen to an oppressive height and quite often tended to absorb almost the whole produce.22 Furthermore, the ryots were given absolutely no protection from illegal exactions by the zamindars. As a result abswabs of all kinds were freely collected from the ryots, in addition to the high rent.23 Unable to cope with the oppressive demands of the proprietors, the thani ryots of several talooks deserted their villages.24 Many of them, "reduced to extreme poverty and misery", were forced to emigrate to the neighbouring Garhjat States, which provided land on more favourable terms with greater protection.25

21. Stirling's Minute, para 64.
22. Ibid., para 93. In fact, Stirling has mentioned that rent rates of Rs. 8 to Rs. 10 per bigha of thani land were not uncommon.
At the settlement of 1837, the thani rent rates were found to be notoriously high. The Commissioner of Orissa, Mills, in his minute on the settlement operations observed, "There was no difficulty in ascertaining the actual rent paid by the Thaneas, as it was notorious that they were almost invariably assessed at a rate infinitely higher than the produce of their lands, or any concomitant advantages of residence, etc., could enable them to pay". However, no effort was made during the settlement operations to reduce the excessive rent rates. Practically the existing rent rates were maintained. Only those rates supposed to be exorbitantly higher or lower than the average standard were adjusted to the general level. The average thani rent was "estimated to have absorbed one-half to one-third of the produce of an average harvest". If Stirling's reports on the existing rent rates in the early period are to be trusted, given the fact that they were mostly left unrevised in 1837 settlement, the burden could have been considerably more severe in many cases. The assessment was uneven and there remained considerable regional variation (see Table 2.1).

27. See answers to Board's Twenty One Questions, (hereafter cited as answers to Board's Twenty One Questions), printed as an appendix to Toynbee, op. cit.
Further distress was caused by two other factors connected with the settlement operations of 1837. It was officially admitted that the profits from cultivation of rent-free lands, which were numerous in Orissa, had greatly helped the thani ryots to meet their high rent obligations. However, during the settlement, most of the lands, hitherto held rent-free, were resumed at full rates. Furthermore, unlike the permanently settled area of Bengal and Bihar, a systematic field-to-field measurement was undertaken in Orissa for the settlement of rent and revenue. In the absence of such accurate measurement the ryots could cultivate more land than they were assessed for, which would have helped them to bear the rent burden. But the settlement of 1837 left no room for such manoeuvre. It is hardly surprising that many thani ryots refused to accept pattas and relinquished their thani holdings altogether, rather than committing themselves to pay the excessive rent for the term of the settlement.

While the rent on thani lands was assessed after careful field-by-field enumeration, on the lands cultivated

29. Mills' Minute.
31. Ibid., pp.113-14. The profit from cultivation of unassessed land was jointly enjoyed by zamindars and ryots.
by the pah1 ryots a lump assessment was made for each village. The zamindars were given full freedom to apportion the total demand in their own way. The pah1 rent rate was considered competitive and was considerably lower than the thani rent rate (see Table 2.1).

In addition to its heaviness the Government demand was inelastic with respect to the timing of collection and amount. In a year revenue had to be paid in two instalments of equal size, falling due on 28th April and 8th November. The timings of collection of rent were adjusted accordingly by the zamindars, with half of the total annual payments of ryots collected well before the April kist day and the rest by the November kist day. The payment of half the rent in November caused serious inconvenience to the cultivators. The peasantry almost entirely depended on the winter rice crop, the earliest variety of which could be reaped only in November. For marketing it took one or two months further. The vast majority of cultivators had no savings. Hence, to pay rent in time the ryots "as a rule" were forced to borrow cash on the Karhia system, bearing an exorbitant rate of interest.

In so far as the protection of the ryots from illegal

33. Mills' Minute.
34. Maddox, op. cit., vol.I, p.241. Also see Ch.III, pp.95-96.
exactions of the zamindars was concerned, the policy of the Government was partially modified during the settlement operations of 1837-45. The rent of the thani ryots were rendered fixed for the term of the settlement and leases known as kali pattas were given to them. On the other hand the Government was apprehensive about giving pattas to the pahi ryots on the ground that such documents might have given the impression of an occupancy right. Thus, there was no change in the position of the pahi ryots whose rent remained liable to be raised if the proprietor so wished.

The inflexibility of rent with respect to its amount caused great hardship to the ryots, the thani ryots in particular, during the period immediately following the settlement, as the agricultural prices crashed. Between 1836 and 1841, the annual average price of common rice was Rs.1.14 per maund. There was a sharp decline from 1842 which continued up to 1851 when the trough figure of Re.0.58 per maund was reached. During the five years from 1842 to 1846, the average price of rice was Re.0.75 per maund. Between 1847 and 1851 it was even lower, Re.0.63 per maund.

35. See answers to Board's Twenty One Questions.
There was a marginal recovery from 1852 but the price continued to be low up to 1855, the annual average for the 4 years being Re.0.73 per maund.\textsuperscript{37}

Given the general heaviness of rent rates, the depression in agricultural prices during 1842-1855 greatly impoverished the peasantry. It caused more harm to the thani peasants since they were already paying an oppressive rent. In the earlier period their rent absorbed half of the gross produce of an average harvest. During the period of low prices, their rent generally accounted for the entire produce, sometimes more.\textsuperscript{38} Consequently, a large number of thani ryots were compelled to give up their land and become pahi ryots. The problem assumed such a large proportion that shortly after the settlement, "the Government passed an order forbidding the thani ryots to relinquish their lands".\textsuperscript{39}

The economy was staging a recovery from 1856, when the province was struck by the disastrous famine of 1866. It caused unprecedented misery to the agriculturists and reduced the total population by about 35% to 40%. As in

\textsuperscript{37} Ibid., p.121. These were the prices ruling at the district towns.

\textsuperscript{38} Maddox, \textit{op. cit.}, vol.II, p.107.

\textsuperscript{39} Ibid., p.107.
the case of the depression in agricultural prices, the thani ryots suffered much more than the others. Apart from having to sell their movable assets, many were forced to sell or mortgage their rights in land to the zamindars and money-lenders for grain loans. Several of them deserted their village and came back only to cultivate as pahi ryots. Many others were altogether evicted for their failure to pay rent.

Thus the combined impact of the heaviness of rent, the agricultural depression of 1842-55, and the Great Orissa Famine of 1866 was a tremendous reduction in the area cultivated by thani ryots between 1837 and 1897. In Cuttack it declined by 38%, in Puri by 34% and in Balasore by 57%. In several villages there was not a single thani ryot in 1897. Quite naturally, the most heavily assessed thani areas were the first to lapse into pahi. As a consequence the incidence of thani rent rate per acre declined, though slightly, from Rs.2-4 annas to Rs.2-3 annas for the three


42. Ibid., p.221.

43. Ibid., p.362.

44. Ibid., p.359.
districts, between 1837 and 1897. 45

### Table 2.1

**Incidence of Thani and Pahi Rent in Cuttack, Puri and Balasore in 1837 and 1897**

<table>
<thead>
<tr>
<th>District</th>
<th>Thani rent per acre 1837</th>
<th>Thani rent per acre 1897</th>
<th>%Change 1837-1897</th>
<th>Pahi rent per acre 1837</th>
<th>Pahi rent per acre 1897</th>
<th>%Change 1837-1897</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cuttack</td>
<td>2-13-0</td>
<td>1-12-0</td>
<td>-2</td>
<td>1-15-0</td>
<td>2-11-0</td>
<td>+39</td>
</tr>
<tr>
<td>Puri</td>
<td>2-1-4</td>
<td>1-13-4</td>
<td>-12</td>
<td>1-7-8</td>
<td>1-13-8</td>
<td>+25</td>
</tr>
<tr>
<td>Balasore</td>
<td>1-11-8</td>
<td>1-11-1</td>
<td>-2</td>
<td>1-2-11</td>
<td>1-11-1</td>
<td>+43</td>
</tr>
</tbody>
</table>

*Note: Rent rates are given in Rupees, Annas and Pahis. 12 pahis make one anna and 16 annas make one rupee.*


The direction of movement of area cultivated and rent rates paid by pahi ryots was the opposite of thani area and rent. The pahi area had increased partly due to the conversion of thani area into pahi and partly due to extension of cultivation (see below). The area cultivated by pahi ryots had increased by 104% in Balasore, 95% in Puri and 74% in Cuttack, between 1837 and 1897. 46 The increases in pahi

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rent rates were brought about after the period of agricultural depression. Some evidences suggest that pahi ryots in some areas were paying higher rent rates than thani ryots around the time of the famine. In general, the pahi rates had climbed up to the thani rates by 1897 (see Table 2.1). In fact, the average incidence of pahi rate in 1897, in the three districts taken together, was exactly equal to that of thani rate at 3.2-3 annas per acre. In many instances the pahi rates had risen above the thani rates. But in the parganas assessed at the highest thani rates in 1837 the pahi rates had failed to reach up to them even in the span of 60 years.

The principal cause of the increase in pahi rates was the change in the man-land ratio. The population of the province had increased noticeably up to the famine of 1866 and again after it. During the settlement operations (1837-45) the population of the 3 districts was estimated at 25 lakhs. It rose to 30 lakhs on the eve of the famine.

49. Ibid., p.361.
50. T.K. Mukhopadhyay, op. cit., p.125. However, these figures are not very reliable.
The census of 1872 put the figure at 30,95,000; it rose to 41,51,000 in 1901. Furthermore, agriculture remained virtually the sole source of subsistence of the people. However, compared to the increase in population roughly by 66% between 1837 and 1897, the expansion in cultivated area was slow, 33% between 1837 and 1897.\textsuperscript{51} As a result, the ryots had to "struggle and scheme for land" while the proprietors had "no longer to seek for cultivators".\textsuperscript{52}

The competition among ryots for land provided an excellent opportunity to the proprietors to raise rent rates. Besides, during the settlement of 1837 no protection was granted to pahi ryots. Although by the Act I of 1859 many of them were given occupancy rights, their ignorance and generally weak bargaining position compelled them to concede to the landlords' demands.\textsuperscript{53} To bring about increases in the rent, the zamindars left no stone unturned. For example, they often brought in "farmers and such like persons to take lands in order to frighten the ryots to

\textsuperscript{51} Maddox, \textit{op. cit.}, vol.I, p.356.

\textsuperscript{52} Maddox, \textit{op. cit.}, vol.II, p.107.

\textsuperscript{53} Maddox, \textit{op. cit.}, vol.I, p.223.
They also tried to prevent the emergence of occupancy rights by frequently interchanging plots among ryots. While the richer ryots could resist enhancement of rent the poorer ryots were reduced to mere tenants-at-will and easily evicted for failure to pay rent.

The rent burden on the peasantry, the thani ryots in particular, was oppressive during the early years of British rule. The agricultural depression of 1842-55 increased the real burden to such an extent that in many cases the entire produce of land did not suffice to meet the rent demand. After the depression, both agricultural prices and rent rates of pahi ryots increased while the thani rent rates remained unchanged. But prices rose faster and by the end of the nineteenth century the real burden of rent was much less compared to the period before 1855. Between 1836-41

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54. Report of the Famine Commission, 1866, vol.I, Part II, Recorded Statements, No.87, Rev.A. Miller. Miller has described a case when he himself was taken to see a piece of land by one zamindar just to frighten the ryots. The zamindar eventually succeeded in obtaining an increase of four annas per bigha.


56. Ibid., pp.224 and 359. A large number of ryots in estates along the river Baitarani had purchased the proprietary rights over their lands to protect themselves from enhancement of rent and eviction.
and 1887–98, price of rice had nearly doubled. 57 On the other hand, between 1837 and 1897, the average thani rent declined marginally; average pahí rent rose by 25% in Puri, 39% in Cuttack and 43% in Balasore (see Table 2.1). Assuming unchanged productivity of land, 58 the peasants were paying a smaller portion of their output as rent towards the end of the nineteenth century compared to the first half of that century. However, in the meantime other forms of exploitation, the principal among them being usurious and mercantile exploitation, had come to play far more important roles on the agricultural scene of Orissa (see Ch. III).

Section 2. Rent Burden on the Peasantry in Sambalpur

Sambalpur came under direct British rule in 1849, when the King died without a heir. The district was in Bengal Province till 1862 when it was transferred to the Central Provinces, where it remained till October 1905. The area around the s·at of the native King, under his direct management, was known as the khalsa. The distant parts were assigned to feudal chieftains called zamindars and

57. During 1887–98, the average price of rice was Rs. 2.22 per maund compared to Rs. 1.14 per maund during 1836–41. Ibid., p. 121.

58. It is difficult to ascertain how the productivity of land in 1837 compared that in 1897. However, evidences relating to the 1890s and the first half of the twentieth century show that output of rice per acre did not change significantly.
talookdars, who paid tributes to the King. In both khalsa and zamindaries the villages were farmed out to village headmen, called gaontias, on short-term leases of usually five years, for collection of revenue from the ryots. The gaontias held their villages as long as they paid their revenue. On the renewal of their leases, heavy fines or renewal fees called nazrana were levied on them by the King or the zamindar. The nazrana was more competitive than traditional.

As his remuneration, the gaontia, who directly managed the revenue affairs of the village, enjoyed "rent free, a portion, usually about a quarter, of the best lands of the village". This land was called bhogra. The village servants styled as Negi or clerk, Jhankar or priest, and Ganda or watchman, etc. also enjoyed a portion of the village land, usually consisting of the best lands, free of rent. Under the native system a lump assessment was made on each village and the total demand was apportioned among


the ryots by a system known as kut baral. 62

Under the Native rule the amount of tribute paid by the zamindars and the revenue of the khalsa was less than Rs.1,00,000. 63 The first British land revenue settlement was made in 1850, for three years, with an enhanced revenue; the levy of nazrana was discontinued in the khalsa area. It was made with the gaontias of the khalsa and the zamindars, the former paying full revenue and the latter only nominal tributes. By this settlement a large part of the revenue assigned by the native King for the maintenance of the members of the royal family, etc. were "summaraly resumed". On the expiry of the settlement in 1853, the leases were renewed for a further quinquennium with a further enhancement in revenue. In addition, all the rent-free tenures granted for the maintenance of temples and Brahmins, known as Brahmattar and Devattar were resumed at half rates. 64

The settlement of 1853 brought about a 20% increase in revenue over the last settlement. The augmented demand was "imposed without any information as to the capabilities" and resources of the district. 65 Since the information on

62. Fuller, op. cit., p.20.
63. Dewar, op. cit., p.55.
64. Fuller, op. cit., p.21.
which the settlement was based was "not more than circumstantial", "it is perfectly possible—indeed it is very probable—that the demand on several villages is by no means relatively proportionate". 66

"During the early years of British administration the only change which was made in the revenue administration of the district was an all-round enhancement of land revenue, which occasioned great discontent, and was of material assistance to Surendro Sah in promoting his disturbances". 67

The most important change brought about by the British related to the form of payment of revenue. During the Native rule most of the demands were actually realised in kind, in the form of farm produce and free labour service by the ryots. Under the British system it had to be paid in cash, the amount and time of payment being fixed. To the ryots of the "land-locked" district, without a sufficient development of market, where prices were too low, it caused great inconvenience. 68 In 1855 the average rent, paid in cash, was estimated to have absorbed "about 25 per cent on the

66. Ibid., para 24.
67. Correspondence relating to the Ryotwari Settlement of the Sambalpur District 1872-1885, (Bombay, 1886), No. 24, Letter from J.B. Fuller, Offg. Junior Secy. to Chief Commissioner, Central Provinces, to the Secy. to the Govt. of India, Dept. of Rev. and Agriculture, No. 2265., dated Nagpur, the 12th June, 1884, para 6.
68. Dewar, op. cit., p.56.
It is worthwhile to mention here that the productive power of land in Sambalpur district was "indeed rather below than above the average of the (Central) provinces".

The first regular settlement, when for the first time the various rights in land were recognised after a detailed enquiry, was carried out between 1871 and 1877. A compromise was worked out between proprietary and ryotwari principles. In 1871, the gaontias of the Khalsa were declared the proprietors of their bhogra lands. They were given a "hereditary and transferable right in perpetuity of bhogra land, and with it the right of collecting the revenue and managing the village". The transfer of bhogra land was to carry with it the duties of the gaontia in so far as the collection of revenue, keeping and rendering the village accounts, the control of village police and other servants were concerned. The amount of land to be held as bhogra by the gaontia was fixed at a level such

70. Correspondence relating to the Ryotwari Settlement of the Sambalpur District 1872-1885, No. 24, Letter from J.B. Fuller, para 4.
71. Ibid., No. 6, Letter from A.O. Hume, Secy. to the Govt. of India, Dept. of Agr., Rev. and Comm., to the Chief Commissioner of the Central Provinces, No. 487, dated Simla 28th October 1871, para 6.
72. Ibid., No. 6, para 6.
that it accounted for one-fourth of the revenue assessible on the village. The village servants were also provided with revenue free land such that the revenue value of total service land of the village was not to exceed 12.5% of the total revenue of all village land. But it was found during the settlement of 1871-77 that in many villages the bhogra and service lands much exceeded the prescribed limit.

The Government revenue was to be assessed on the lands cultivated by the ryots. The revenue payable by each ryot was to be fixed for the term of the settlement. A ryot could cultivate his land as long as he paid the Government revenue. However, his occupancy right, although hereditary was not to be transferable. Even "sub-letting, for more than a year was forbidden". Thus the ryot of a khalsa village was a Government ryot as well as occupancy ryot.


74. Ibid., in No.13, Letter from Col. Mclean, Offg. Commissioner, Chattisgarh Division, to Secy. to Chief Commissioner, Central Provinces, dated 8th March 1875, paras 7 and 11.

75. Ibid., No.7, para 5 and No.8, Letter from A.O. Hume, Secy. to Govt. of India, Dept. of Agr. Rev. and Comm., to the Chief Commissioner of the Central Provinces, No. 425, dated Calcutta, 1st May 1872, para 4.

76. Ibid., No.24, para 9.
of the gaontia. The gaontia was to collect from the ryot only the revenue assessed at the settlement and other dues specified in the village administration paper.

The settlement of 1871-77, effective from 1876, raised the ryot's payments of the Khalsa from Rs.89,797 to Rs.1,10,414 or by 23%.\(^77\) This assessment was based on rough estimates as no survey and measurement of land was made. It was "known to be extremely unequal, so that some villages were paying much higher than others."\(^78\) During the next settlement operations between 1885-89 a detailed cadastral survey of the Khalsa area was made for the first time. However, since no such operation was conducted during the previous settlement, it was not possible to find out the extension in cultivating.\(^79\) Moreover, the ryots payments were more or less constant during the term of the settlement. Therefore, neither increase in area nor increase in asset could be the basis of the new assessment. Yet, the ryot payments were raised to Rs.1,52,406 or by 38%.\(^80\) As a result, there


\(^78\) Fuller, op. cit., p.29; also see Dewar, op. cit., p.57.

\(^79\) Fuller, op. cit., p.28.

\(^80\) Ibid., p.39.
was "some dissatisfaction felt by the raiyats about the assessment, which was alleged to fail with undue weight on the poorer classes of rice-land". 81 Moreover, according to the prevailing system where the ryots' revenue payments were to remain unchanged for the term of the settlement, the substantial increases brought about by each settlement at a stroke pressed heavily on them as it suddenly cut down their incomes each time. 82

The zamindars continued to pay nominal tributes (takoli) to the Government and made their own arrangements with the gaontias who held villages under short-leases. Each time, at the expiry of the term of the latter's lease there ensued a bitter tussle between him and the zamindar who wanted to raise his annual payments and the renewal fee (nazrana). 83 In some cases the leasees who refused to agree to any enhancement were altogether ejected by the zamindars. Subsequently, the Government took legislative action in 1888 to protect the gaontias of long standing from the rackrenting zamindars. The system of paying

81. Dewar, op. cit., p.56.
82. Ibid., p.57.
83. Correspondence relating to the Ryotwari Settlement of the Sambalpur District 1872-1885, No.24, para 10.
Renewal fees in lumpsum was abolished and such payments were added proportionately to the annual payments to the zamindar. Those gaontias protected by law were to have hereditary but non-transferable rights and their annual payments were to be determined by the revenue officers.84

The protection given by the Government to the gaontias had a very serious consequence. Although the protected gaontia right was not transferable, transfers were actually made since they could not be declared void if the transferer retained a part of the income of the village. This led to a great deal of sub-infeudation; often there were many lessees, between the zamindar and the ryots.85

In many khalsa villages also, two gaontias intervened between the ryots and the Government. Actually, the inferior or shikmi gaontia was responsible for the management of the village and collection of revenue. He paid a sum called malikana, or a share in the proprietary profits of the home-farm to the superior or asli gaontia, and paid revenue through him.86 The inferior gaontias had come into

84. Dewar, op. cit., p.49.
85. Ibid., p.49.
86. Ibid., p.50; and Fuller, op. cit., p.21. At the settlement of 1885-89, the double tenures existed in 243 out of the 1948 villages of the khalsa. See Dewar, op. cit., p.89.
existence due to "the lease of a village by a gaontia who retained superior rights", "the assignment of a village by a gaontia to a relation for maintenance" and "the interposition of a farming contractor or grantee between the village gaontias (who became the inferior gaontias) and the Government". Often the gaontia of a village authorised a person to bring a part of the village waste land under cultivation, thus creating an inferior gaontia.

The Government demand in Sambalpur absorbed only a small proportion of the gross produce of land (25% in 1855), compared to the rent demand in coastal Orissa. However, the real burden on the peasantry was no less because land in Sambalpur was much less productive compared to coastal Orissa. Around the beginning of the twentieth century, average per-acre output of rice was 800 lbs. in Sambalpur and 1,000 lbs. in coastal Orissa. It is obvious that if ryots paid 25% of the gross produce of land as rent in Sambalpur, and 40% as rent in coastal Orissa, the per-acre produce left with them was the same in both cases.

The gaontias collected rent much in excess of the

88. Ibid., p.40.
Government demand.\(^90\) This practice, to a large extent, was the result of the collection of nazrana by the King at the time of renewal of the gaontia's lease.\(^91\) Naturally, it was not discontinued during the British period. Besides, the ryots were made to pay abwabs. The gaontias' hold over the ryots was so strong that the latter did not normally object to such payments.\(^92\) However, often the ryots deserted their villages, unable to bear the exactions of the gaontias.\(^93\) But, generally speaking, under the burden of rent and the illegal demands of the gaontias, most of the ryots were seriously indebted to the same gaontias, by the

90. *Correspondence relating to the Ryotwari Settlement of the Sambalpur District 1872-1885*, No.2, Enclosure B, Extract from Major Cumberlege's letter, dated 22nd August 1870, para 29, in No.3, Letter from Charles Grant, Commissioner, Chattisgarh Division, to Secy. to Chief Commissioner, Central Provinces, para 10 (p.34 of Correspondence); and in No.5, answers by A.M. Russell, Settlement Officer and A.B. Cumberlege, Commissioner, to Question III (p.41 of Correspondence).

91. *Ibid.*, in No.5, A.M. Russell's and M.M. Bowie, Deputy Commissioner's answers to Question II (pp.39-40 of Correspondence).

92. *Ibid.*, in No.5, A.M. Russell's answers to Question III (p.41 of Correspondence).

93. *Ibid.*, in No.5, M.M. Bowie's answers to Questions II and IV (pp.41 and 43 of Correspondence), and No.24, para 7.
early years of British rule.\textsuperscript{94}

Section 3. Development of Irrigation

From 1860s a relatively elaborate network of irrigation canals was constructed by the Government in the Mahanadi delta. By 1900 there were 205 miles of main channels, for irrigation as well as navigation, 75 miles of canals only for irrigation and 1,100 miles of distributaries. Of these only 19 miles of main channels and 50 miles of distributaries were in Balasore and the rest were in Cuttack.\textsuperscript{95} Initially the area irrigated from the canals was very small. Gradually it rose to about 2,00,000 acres around 1900 and increased further since then.\textsuperscript{96} However, the irrigated area accounted for only a small proportion of the gross cropped area, between 13\% to 17\% in Cuttack district during 1900-30.\textsuperscript{97}

\textsuperscript{94} Ibid., No. 2, Letter from W.B. Jones, Secy. to the Chief Commissioner, Central Provinces, to Secy. to Govt. of India, Foreign Dept., No. 2376, dated 14th Nov. 1870, para 5; and No. 7, para 5.

\textsuperscript{95} Maddox, op. cit., vol. I, pp. 22, 31 and 32.


\textsuperscript{97} In Balasore it was much less (around 3\%).
There was a marked negative relationship between rainfall and demand for canal water, although the prevalence of quinquennial leases make it difficult to isolate the impact of seasons on area irrigated. For instance, low rainfall in 1887 and 1888 (particularly in October) caused the irrigated area to rise up to 186,627 acres in 1889-90. Ample rainfall during 1892-95 resulted in a steady decline in the area till 1895-96 (119,460 acres). But near absence of rainfall in October 1896 gave a massive boost to the demand for canal water and the area irrigated jumped to 207,015 acres in 1896-97. Thus it appears that irrigation was primarily used for protection against drought.

In Orissa normal rainfall was ample, above 60" per annum. Therefore, the main benefit from canal water was the insurance it provided against shortfall in rain, given the primitive techniques of production. In fact, in years of adequate and well distributed rainfall, there was no significant difference between yields in irrigated and unirrigated fields. Random crop-cutting experiments

done in Cuttack Sadar subdivision during 1928-29, 1929-30 and 1930-31, years of adequate rainfall and free from serious floods, showed an average yield of 23 maunds and 16 seers of paddy per acre in the irrigated area and 23 maunds and 3 seers of paddy per acre in the unirrigated area. However, over a period of both good and bad years, the irrigated land yielded more than the unirrigated land. During 1885-86 to 1898-99, the average difference in the value of annual gross produce was of the order of Rs.4; the average yield was 13.5 maunds of rice and 28 maunds of straw for irrigated and 12 maunds of rice and 22 to 23 maunds of straw for unirrigated land.

In addition to providing protection against insecurity of rainfall, canal water benefited the cultivators in other ways. Owing to the availability of water, some high lands lying on both sides of the canal, hitherto uncultivated, were brought under cultivation. Lands previously growing Asu, Biri and Beali rice, could now grow Sharad and good quality rice. The cultivation of crops like sugar cane and vegetables was facilitated. Besides, some single-

100. W.W. Dalziel, op. cit., p.81.
crop lands were converted into double-crop lands.\textsuperscript{103} However, such benefits were not very significant, given the small proportion of total area irrigated from the canals. On the other hand, the canal embankments while preventing the lands from inundation also prevented the deposition of silt which had always enriched the soil. Consequently, crops like wheat, mustard, mung etc. went altogether out of cultivation in many areas.\textsuperscript{104} Many lands which earlier produced two crops in a year could now produce a single crop.\textsuperscript{105}

Although irrigation directly contributed to reclamation of land in some areas, the extension of cultivation in the irrigated tracts was no more than that in the unirrigated tracts, between 1837 and 1897.\textsuperscript{106} Moreover, in spite of the availability of canal water, the cultivation of more valuable cash crops did not show any significant increase. In fact, in Cuttack district, during the first decade of the twentieth century, crops such as oilseeds, sugar cane, cotton, jute and tobacco accounted for only about 3% of

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\textsuperscript{103} Ibid., Appendix D, p.96. Answers made by H.P. Wylley, Late Deputy Canal Revenue Superintendent, Orissa.
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\textsuperscript{104} N.N. Banerji, \textit{op. cit.}, p.18.
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\textsuperscript{105} See Report of the Orissa Canal Commission, p.10.
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\textsuperscript{106} Maddox, \textit{op. cit.}, vol.1, p.91, Table.
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the gross cropped area. Rice remained the principal crop commanding about 85% of the gross cropped area, while approximately four-fifths of the total area irrigated from canals belonged to rice. However, summer rice, which entirely depends upon artificial supply of water, accounted for only 3% or less of the gross cropped area of the district. Thus, the principal function of canal water was to protect a small part of the winter rice crop of the district.

Initially, the water rates were Rs. 3 per acre for a single crop and Rs. 5 per acre per annum. Given the limited benefits of irrigation, the price of water was


109. See Appendix to Ch. III, footnote 13. The area annually irrigated from the canals during the rabi season was between 3,726 acres to 8,031 acres only. See W.W. Dalziel, op. cit., p.14.


111. Narrative of the Principal Events corrected with the flood Embankments in Orissa, and of the Origin and Development of the Orissa Canals, extending over the period from 1640 to 1900, Compiled by W.A. Inglis, (Calcutta, 1900), p.18.
considered too high. The ryots, already facing an oppressive rent burden, did not show much enthusiasm for irrigation in times of normal and well distributed rainfall. However, the Government was primarily interested in maximising the revenue from irrigation. It literally forced the people to take water. "In one instance in October 1870 every sluice in every distributary from the Kendrapara Canal (which then commanded 70,000 acres) was by written order of the Superintendent, opened, and the water set flowing over the whole country. The ryots in many instances protested, and, finding no redress, themselves closed the sluices and even banked them up with earth, but the sluices were again opened and the country flooded. The Superintendent followed assessing the flooded areas and determining which fields had got canal water, which rain only and which rain and canal together".

Canal water was forcibly supplied to the fields, very often causing damage to the standing crop, and the cultivators were compelled to execute leases under the threat that they would otherwise be charged for illicit irrigation at


113. Col. Haig's note (para 18) of 17th December 1872, quoted in Narrative of the Principal Events, p.35.
the rate of Rs. 6 per acre. Sometimes, ryots were physically coerced to execute leases. In some cases, water rate was levied on "high lands where canal water cannot reach, and even rain-water cannot remain". Sometimes, villagers having no land for cultivation were made to pay water cess.

Gradually the water rate was reduced from Rs. 3 per acre to Re. 1-8 annas per acre, on quinquennial leases. Even then, it was considered high by the ryots. In fact, the Canal Commission of 1884-85 observed: "We have no evidence sufficient to justify the conclusion that canal


115. Ibid., Appendix A, Petition Nos.9, and 13, pp.11-12.

116. Ibid., Appendix A, Petitions submitted to the Commission, Petition No.35, p.44. Also see Appendix A, Petition Nos.24, 29, 30, 32, 33 and 37, pp.15, 18, 20 and 22.

117. Ibid., Appendix A, Petition Nos.25, 33 and 34, pp.17 and 20, and Appendix B., Petition No.41, p.47.


water paid for at the rate of Rs.1-8 per acre in all cases gives a profit in excess of what may reasonably be left to the cultivator with the prospect of his retaining it". 120

In 1922, a rise in the water rate was immediately followed by a decline in the demand for canal water. 121

One factor which significantly cut into the benefits of the ryots from irrigation was the collection of bribes by the subordinates of the canal department. The amins who came to measure the irrigated lands demanded bribes, threatening to increase the assessed area. 122 Likewise, the jirdars, patrols, mahurries, and khalasis demanded and received bribes in kind and cash, using various threats. If the ryots resisted such payments they were in for trouble. In village Gotra, pargana Matkundnagar, a patrol who was not obliged instituted a false case charging 10 ryots to have cut the canal embankment. 123 There were many such instances.

Thus, the "Irrigation canals had become a source of


123. Ibid., Appendix B, Petition No.26, p.37.
oppression to the people.\textsuperscript{124} The ryots' feelings were so strong that in 1883, when most of the quinquennial leases expired, they "met in large bodies at different places, resolved never again to apply for water under any circumstances."\textsuperscript{125} Even the occurrence of drought in the ensuing seasons failed to change their decision. Consequently the area irrigated declined by 63\% between 1882-3 and 1883-4.\textsuperscript{126} Furthermore, many ryots were compelled to give up cultivation altogether, unable to withstand the pressure of high water-rate and the various illegal exactions connected with it.\textsuperscript{127} Some ryots fled from their villages to avoid the oppression.\textsuperscript{128}

A major portion of the benefits of irrigation was appropriated by the landlords. Use of canal water had

\textsuperscript{124} Ibid., Appendix A, Letter from Baikunthanath De, President, Balasore National Society to the Commissioner of the Orissa Division, p.1.

\textsuperscript{125} Ibid., Appendix I, Part I, No.1a, Letter from Gauri Shankar Ray, Hon. Secy., Orissa Association, to Commissioner of the Orissa Division, dated 23rd April 1884, p.129.

\textsuperscript{126} Ibid., Appendix A, Petition Nos.1-3, 17, 23, 34, 35 and 39, pp.9-10, 13, 16, 21 and 23.


\textsuperscript{128} Ibid., Appendix A, Petition Nos.1-3, 17, 23, 34, 35 and 39, pp.9-10, 13, 16, 21 and 23.
particularly benefited lands of inferior description, i.e. mainly high lands which suffered due to want of water. Availability of irrigation raised them to the level of first class land in some instances. It also facilitated the cultivation of lands hitherto lying waste and often considered unreclaimable. The rent rates of lands, where the quality and quantity of produce was raised, and the reclaimed waste lands, were raised by the zamindars to the level of the highest prevailing rate. But they usually concealed the actual reason. For instance, in the permanently settled estate of Darpan, in villages Kapooripokri and Subhadrapore, the Raja raised the rent rates of some irrigated lands by more than 50% at a single stroke on the plea that those lands were incorrectly classified in the last settlement.

In spite of being afraid of zamindars, the ryots deposed before the Canal Commission about the rise in their rent rates due to irrigation. The rent of 3 mana 21 gunta of land held by a ryot in pargana Sungra was raised from


130. Ibid., Appendix E, Part I, No.2, Memorandum by H.P. Wylley, on Owner's Rate, p.98.

131. The descriptions of this case were extracted from H.P. Wylley's note-book. See Ibid., Appendix C, No.5, pp.79-80.
Rs.11-6 annas to Rs.20-5 annas in 1878 in a single stroke because he now produced Sharad instead of Beali. 132 Another ryot, of pargana Saraswati, told the Commission that the waste lands brought under cultivation by irrigation were paying at Rs.4-11 annas per man while it paid at the rates of Re.1-9 annas to Rs.3-2 annas before. 133 In one village in pargana Pudampor the rent rates were increased from Re.1-9 annas to Rs.4-9 annas and Rs.3-2 annas to Rs.6-4 annas per man as a result of irrigation. 134 Where the lands could not be irrigated but were merely protected by the canal embarkments from flood, rent rates also rose. 135

In 1893 N.N. Banerji, who studied the agriculture of Cuttack district in great detail, "very justly, complaints are evoked on account of the enhancement of rent of irrigated land by the zamindar, who paying nothing towards the water-rate, practically appropriates the increase in output due to irrigation". 136

135. Ibid., Report, p.15.
A comparison of the movements of pahi rent rates in comparable irrigated and unirrigated tracts during 1837-97 will probably indicate the extent to which the zamindars cornered the benefits of irrigation. In the irrigated parganas of Asureswar, Sungra, Matkatanagar and Nahakhand, on the Kendrapara Canal, the average incidence of pahi rent rose from Rs.2-6 annas per acre in 1837 to Rs.3-6 annas per acre in 1897, by 42%. In the neighbouring and comparable tract consisting of the partly irrigated pargana of Balubisi and wholly unirrigated and mostly unprotected parganas of Suknai, Abartak, Kusmandal and Paina the rate rose from Rs.2-10 annas per acre to Rs.3-7 annas per acre, by 31%.137

In the irrigated parganas of Kodinda, Hariharpur, Jhankar, Kurania, Khandi and Gandito, on the Taldanda and Machgaon Canals, per acre incidence of pahi rent rose from Rs.2-3 annas to Rs.3-3 annas, by 46%. In fact, in pargana Kodinda rent rates were enhanced "openly on the ground of the introduction of canal water".138 However, in the neighbour­ bouring unirrigated and partially irrigated parganas of Deogaon, Kate, Saibir, Benahar, Tiran and Sailo the average per-acre incidence of pahi rent rose from Rs.2 to Rs.2-11 annas.

138. Ibid., p.88.
by 36%. Thus, rent rates rose faster in the irrigated areas than in the unirrigated areas. But, whenever rent was raised due to irrigation, it was generally not done by open enhancement of the rates but by reclassification of lands. Even more protection provided by the canal embankments from inundation caused rent rates to rise in parganas such as Tikam, Chaudakulat, Saibir and Kate.

From the above evidence it appears that the landlords appropriated the bulk of the benefits from irrigation and protection. However, by the settlement of 1897 the Government too earned a share in the increased rental. In fact, it now allowed a smaller proportion of the rental to the zamindars, 45% instead of 50% in 1837, in the irrigated and protected areas. As the revenue was settled in 1897, an increase of about Rs. 25,000 to Rs. 50,000 were directly due to protection and irrigation.

Thus irrigation did not have any significant impact

139. Ibid., p. 89.
140. Ibid., p. 96.
141. Ibid., p. 96. Also see Report of the Famine Commission, 1866, vol.I, Part II, Recorded Statements, No. 75, J.A. Windle. Windle was told by the ryots of a village in Sallasore district that the rent rate was raised from Re. 1 to Re. 1-9 annas after the construction of the embankment.
either on productivity or on the cropping pattern. It only provided some security to the cultivation of winter rice crop. But, as it was confined to a small area, it could not provide any effective protection against inadequate and untimely rainfall in the province. For instance, there were serious crop failures in 1896-7, 1907-8 and 1918-19, owing to lack of rainfall. In the irrigated areas, the cultivators generally did not reap the benefits of increased yield, because of the enhancement of rent by the landlords. In fact, "a raiyat in possession of second class lands changed by irrigation into first class, will actually pay, in the form of rent and water rates, as much as the owner of unirrigated first class lands yielding an equal crop". 143

Section 4. Marketability of Ryoti Rights in Land

At the time of British conquest of coastal Orissa, the thani ryots possessed inheritable occupancy rights while the pahil ryots did not possess any such rights. But in so far as a transferable right in land is concerned, even the 'privileged' thani ryots possessed none. Stirling, in his Minute of 1821, observed:

143. Ibid., p.96.
"As far as fixed hereditary occupancy of the soil independent of the will of another can convey a title, the thanee ryot of Cuttack (implies Orissa) may be considered in some sort a proprietor of land. But there is nothing like a distinct palpable and recognised rights of property in the soil to be discovered on the part of the resident ryots of Orissa, like the meerassdars of the Deccan, or the village zamindars of the Upper Provinces. Neither is the general sense of the country in favour of such an hypothesis, nor do the ryots themselves claim it. After the most careful inquiry I have been unable to discover any instances of a ryot selling or mortgaging his lands, nor can I meet with anyone who thinks they possess such a right, or is aware that such has ever been exercised in practice". 144

This was natural in a situation of favourable landman ratio. There was an abundant relative supply of land and the problem, in fact, was to find cultivators. 145

During the settlement operations of 1837 the Government legally recognised the occupancy rights of thani ryots and issued them pattas. But, for the first time such rights

144. Stirling's Minute, para 67.
145. See Toynbee, op. cit., p.36.
were conferred on pahi ryots (only those who could prove uninterrupted occupation of land for 12 years) in 1859, by Act X. The extension of the Bengal Tenancy Act of 1885, into Orissa in the early 1890s enabled many more of them to acquire occupancy rights. Neither of these enactments, however, gave any right to the ryots to transfer their holdings.

Thani holdings were actually transferred by way of sale and mortgage, immediately after the settlement of 1837. By 1847, transfers of thani lands were made with great freedom in the Government estate of Khurda and other khasmahals. From the various statements made before the Famine Commission of 1866 it is clear that thani ryots were freely selling and mortgaging their rights in other parts of coastal Orissa, before the Famine of 1865-66. Often, the courts auctioned thani rights in execution of decrees. Besides, owing to the rise in prices after the depression and increasing population pressure, they had become valuable and were voluntarily transferred among the ryots. The courts did not object to sales. Sometimes, thani lands were sold without asking for the permission of the landlord

146. Mills' Minute.
or the Collector (in case of khasmahals). During the Famine, a substantial number of thani ryots sold and mortgaged their tenures. Many such transfers were registered. The thani ryots were so freely selling their rights that many zamindars wanted the Government to prevent it, although they themselves did not bring any "suit against any ryot who has sold his tenure". Some landlords complained that as a result of the sales, thani lands passed on to "powerful men", which caused inconvenience to them.

Thus without possessing any legal right of transfer, the thani ryots were freely selling and mortgaging their lands. Kingsford, the Settlement Officer of Balasore, wrote in 1898: "The thani ryots have freely transferred their holdings by sale and mortgage without reference to the zamindars. The latter have admitted the custom and (it) is now generally acknowledged". In Puri, "the transfer of

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148. Ibid., Part II, Recorded Statements, No.65, R.N.Santra Mohapatter.

149. Ibid., Part II, Recorded Statements, No.62, Chaudhury Pekladhan Mohapatter.

150. Ibid., Part II, Recorded Statements, No.33, E.J.Barton and No.71, Janardun Sen and Bechetranund Dass.

thani rights had become a matter of every day occurrence even before the resettlement operations began. Babu Nanda Kishore Das (para 104 of his report) notes that transfer was particularly common in the khas mahals, probably on account of the proximity of the Government estate of Khurda in which the right of transfer was admitted by Government order No. 2553 of 17th Dec. 1874. Babu Akshoy Kumar Sen, Assistant Settlement Officer, found that it was similarly common in pargana Lembai, which also adjoins Khurda subdivision. In Kot dashed Mr. Nathan found in 1892 that 'the sale of thani lands was matter of daily practice, and that as a rule without any reference to mukaddam or zamindars'. There was, however, always a tacit admission that the landlords consent was legally necessary to such a transfer, and this was expressed in the shape of a fee usually amounting to Rs. 2 per Rs. 100 of purchase money, paid when the new purchaser applied to have his name entered in the zamindar's rent roll'. Likewise, in Cuttack, transfers of thani holdings were common and were effected without prior permission of the landlords. However, the latter received "customary mutation fees" to record the purchaser's

152. Ibid., Report on Settlement Operations in the District of Puri by Mr. H. McPherson, p. 609.
name in his books. 153

On the other hand the process of transfer of pahi lands started much later. An important change was brought about in the legal concepts of their rights by the extension of the Bengal Tenancy Act into Orissa. Section 65 of the Act provided for sale of an occupancy holding for arrears of rent. 154 Besides, the settlement operations from 1890 had helped the ryots in becoming aware of their rights. Consequently, a custom of voluntary transfer of pahi lands (occupancy rights) developed and it became "as common as the transfer of thani lands, and zamindars and tenureholders have tacitly acquiesced in the process and are now content to levy, when they can, registration fees of annas 2 to annas 4 per rupee of the purchase money at the time of recognition in their rent rolls". 155 The Settlement Officer of Orissa, Maddox, observed in 1898: "In the case of pahi holdings I do not think that sales were ever allowed until very recent years, but in the khas mahals of Puri and the Parganas adjoining Khurda sales are now common and since the Khanapuri began, such transfers have been often


155. Ibid., p.610.
made in various parts of the Province, and are generally recognised by the zamindar on payment of a sufficient salami.\textsuperscript{156}

However, the right of transfer of occupancy holdings was legally recognised by the Orissa Tenancy Act of 1913 (Section 13), subject to the payment of a transfer fee, maximum payable being 25% of the purchase money, to the landlord.

In Sambalpur the ryots were not given the right to transfer their holdings. The Central Provinces Tenancy Act of 1898, Section 46, did not allow the registration of transfer of ryoti land, except by way of annual sub-lease. Again, under Section 47 of the Act, all sales and mortgages could be set aside within two years, if the landlord or a near relative of the seller or mortgager brought a legal suit. This gave rise to an anomalous situation because if no legal action was sought within two years, transfer of ryoti land could not be declared void. However, in practice the Tenancy Act could not stop actual transfers of ryoti holdings; much land was transferred by the ryots "independently of the Courts and in defiance of law."\textsuperscript{157}

\textsuperscript{156} Maddox, \textit{op. cit.}, vol.I, pp.224-5.

\textsuperscript{157} Dewar, \textit{op. cit.}, p.23.
The law only benefited the gaontia who managed to extract a heavy premium for every transfer made by ryots. In so far as the form of transfer is concerned, there were few cash sales, which mainly related to small plots. Most transfers were affected through usufructuary mortgages.

Thus, during the British period ryoti right in land became a marketable asset. The ryots could mortgage and sell their holdings with a great deal of freedom. This meant that they could with great facility, by pledging land. At the same time, to the money-lenders, particularly the agricultural money-lenders, land was an attractive collateral to lend against. In fact, in 1877, attachment of the 'implements of husbandry' and the 'materials of an agriculturist's house or farm-building', for the recovery of the dues from a peasant was forbidden by law (revised Civil Procedure Code, Act X of 1877, Section 266). This added to the attractiveness of peasant's land as a collateral during the British period.


159. Dewar, op. cit., p.23. Also see, Ch.IV, pp.193-194.


161. Also see Ch.I, pp. 8-9.
Section 5. **Summary and Conclusions**

The revenue/rent demand on the peasantry became excessive during the British rule (at least the early period), even in years of good harvest. Moreover, its inflexibility in terms of both amount and timing meant that the burden must have been considerably more severe in those years when the income of the peasants declined, either due to fall in prices or because of poor harvests,\textsuperscript{162} which were not infrequent. It would have been easier for the peasantry to meet the rent demand, if agricultural output had increased in a long term sense and they were allowed to retain the benefits of higher output. However, there is no evidence to suggest that such was the case. In fact, the canal irrigation project, which could be considered a major step towards raising the output and income of the peasants, was at best a very moderate success. Its impact was confined to a rather small area. Besides, the rent rates of the lands which benefited from irrigation were considerably raised by the zamindars; they were the principal beneficiaries of irrigation. In view of this, only a small section

\textsuperscript{162} When output falls, prices generally rise. Thus, the peasant simultaneously loses due to the decline in output and gains from the consequent increase in price. However, evidences relating to early twentieth century indicate that the increase in price did not adequately compensate for the decline in output, in years of poor harvests. See Ch.IV, pp.164-170.
of the peasantry in that small area could have gained from the use of canal water.

Consequently, a vast majority of the peasants in Orissa, heavily pressed by the burden of rent, had to take increasing recourse to borrowing in order to maintain themselves. This resulted in a process of indebtedness encompassing a number of small peasants, who came to depend upon the village money-lenders, zamindars, gaonias and the rich peasants for credit. As we shall argue later, this provided large scope for forced commerce which was essentially a process of subjugation of the small peasantry to usurious and mercantile capital (see Ch.III).

Agricultural borrowing and lending during the British period were greatly facilitated by the emergence of a market in ryoti right in land which in fact became a dominant collateral in the rural credit transactions. The marketability of land meant that the peasants' traditional source of livelihood became alienable. It had a serious implication for the small peasant since he was liable to lose his assured source of livelihood in case of debt default. As we shall see later, the transfer of ryoti land became a principal method of settling outstanding debt (see Ch.IV).