

CHAPTER XI

REVENUE ADMINISTRATION

THE large source of the State revenue, from times immemorial, was a share in the gross produce of lands. From the days of yore, it was the practice to collect the share in kind. According to Manu, an ancient law-giver of India, the kings were justified in collecting normally one-twelfth to one-sixth of the gross produce of all lands of the village community put together as a whole. This consisted in the taking of a share of the crops collected at harvest time on the village threshing floors. But during the days of war and such other calamities and abnormal times, this share was considerably raised. In later times, the State share began to be collected in cash. The land revenue continued to be a very important source of revenue until recent times.

Early period

It is gathered that under the rule of the Kadambas of Banavasi in the region, which flourished in the early centuries of the Christian era, a king of the dynasty, with the assistance of his minister Gopa and secretary (*karanika*) Nagadeva, prescribed two standards of measurement, one for wet and dry lands and the other for gardens, and got measured all the lands in Nagarakhanda and Varadakhanda (two parts of the area). The assessment was said to have been imposed on lands taking the nature of soil, situation, water supply and crops into consideration. During the times of the Ganga kings of Talakad whose dominion included parts of this area also and who were contemporaries of the Kadambas, the king's share was one-sixth of the gross produce of communal lands during normal years. One-fifth of the produce of forest tracts and of dry-land crops and one-third of the produce of lands cultivated below the tanks and one-third of underground treasures were collected. During emergencies caused by wars and the like, it was raised to one-fourth. In the kingdom, a survey of cultivable lands was made and lands were classified in accordance with the fertility of the soil. If any lands were actually uncultivated, remissions were granted. Under the Gangas, there were other taxes like irrigation assessment, tolls on merchandise and excise and fines for various offences, and exemptions from payment of tolls were allowed for a few articles

of necessity*. The *Gavunda* and *Karanam* in the villages and *Nayaka* and *Nadagavunda* in the district, assisted by officials, collected the revenue.

The Hoysala kings who ruled over the region from about the 11th to the 14th century do not seem to have made any marked changes in the system they inherited. Some of them are said to have collected one *fanam* for every *khandi* of grains raised by the raiyat. The cultivators, who handed over a good number of worn-out plough-shares to the government, secured a distinction during the reign of Vishnuvardhana. This was probably a device adopted by the Hoysala ruler to encourage the agriculturists to extend the area under cultivation. Some scholars are of the view that a *kula* was a pole, eighteen lengths of a rod which was used as the measure of a piece of land and as the standard unit of measurement for all assessments during the days of the Hoysalas. One-fifth of the produce on dry lands and one-third on wet lands appear to have been levied as assessment on all cultivated lands and in addition, there were also some other imposts on land. During the Vijayanagara rule over the district and other parts, the system of revenue administration underwent several changes. It was regarded that one-sixth of the crop was the rightful share of the sovereign. In the days of Krishnadeva Raya and Achuta Raya, the revenue collections were improved and a regular system of keeping the accounts and a vigilant watch over the methods of collection were introduced. Regulations to augment the resources from arable lands were also issued. The assessment was fixed on the extent of sown area which was, in turn, determined by the quantity of seeds sown and the nature of the soil. In order to encourage cultivation of waste lands, such lands were let out at first for small sums and gradually made over the property rights to them. Under this and earlier regimes, besides the land-tax, there were several other imposts levied on industries, properties, sales, etc.

In Hoysala and
Vijayanagara
times

The speciality of the revenue system of the Keladi kings related to the land revenue pattern called the *Shist* which was formulated with great care by Shivappa Nayaka. Cesses were added as and when it was felt necessary. The sources of land revenue in addition to the usual rent were *sidhaya* (fixed rent), *birada* (extra cess on garden cultivation or fines), *kula-birada* (a family tax on garden cultivation or fines) and *arevasi* (additional tax which was equal to half of the original rent). The other sources of revenue were *meluvana* (may be the crown's share of tax), *habba-kanike* (presents for festivals), *besta-garike* (tax on fisherman), *banada soge* (tax on forest produce and the screw-pine), *madihadike* (tax on washerman(?)), *divagarike* (tax on

Under Keladi
Nayakas

* "The Gangas of Talakad", Krishna Rao, M. V., 1936, p. 146.

torches of the *hariyali* grass, like the leaves of palms, sugarcane), *haravari-vartane* (fees, perquisites, especially of grain, paid to public servants of a village or town for their support or tax on grains grown on public lands), *umbali-vartane* (a tax in kind from a grant of land to an individual for his subsistence), *manihadavara-vartane* (a tax for superintending of temples and *mathas*), *sthala-sunka*, *sambhanda-kavike* (fees for executing charter), *mulavisa* (tax in market towns), loom-tax and octroi. Judicial fines were also a source of income to the State. There were sometimes military contributions. *Asvamika* (unclaimed property) was escheat to the State*. Under special circumstances, remissions of taxes were made.

Shivappa
Nayaka's Shist

Before Shivappa Nayaka, a celebrated ruler of the Keladi kingdom, the system of land revenue was haphazard. There were three different types consisting of the assessments made by the Vijayanagara rulers and the Bijapur Sultans and those prevailing according to local customs. He brought about good reforms. His formulations were called the *shist* since they were done in a systematic manner. This reformed system of assessment of land revenue, which was popular and was in force for a long time, formed the basis for future assessments. Shivappa Nayaka classified the lands according to their fertility taking into consideration the average yield over a period of 12 years and generally the rent was collected in kind, but in some cases, cash payment was insisted upon. He caused the cultivation of some lands of all categories on his own account for a period of 12 years. Accurate records were kept in regard to quantity of seeds sown, cost of cultivation and quantity and value of the produce grown in the fields. He divided the lands into five categories as : I class having black soil mixed with sand, II class with red soil or mixed with black soil, III class having mixed black soil or mixed red soil with a little water, IV class with hard soil without water and V class having barren soil unfit for cultivation. The average market price of produce was also calculated. Taking all these factors and the conditions of the period into consideration, the government share was fixed at one-third of the gross produce for wet lands. Regarding garden lands, the unit for assessment was 1,000 areca trees. Only those trees which were at least eighteen feet in height were taken into account for purposes of assessment. The distance from tree to tree was measured by a rod which was equal to the width of the steps (about 18 feet) of the Aghoreshvara temple of Ikkeri. "The distance between the central pillars was adopted as the standard measure for garden land. A rod of this length, equal to 18 feet 6 inches, was the space called *daya* allowed for one tree, and the *shist* or assessment was fixed on 1,000 such *daya* at various rates" (Epigraphia Carnatica, Vol. VIII, 1904, p. 16).

*"The Nayakas of Ikkeri", Swaminathan, K. D., Madras, 1957, p. 173.

In 1763, the kingdom of the Keladi Nayakas was annexed to Mysore by Haidar Ali. He kept a rigorous watch for prompt recovery of revenue and appointed *harikars* in all taluks for this purpose. Tipu Sultan abolished the posts of *harikars* and in their places appointed special officers or each *tukadi*. He followed the old land revenue system and imposed extra cesses to augment his financial resources.

On the restoration of the Mysore State to the Wodeyar royal family, the first important step taken was to bring about some order in the revenue system which was in a state of chaos due to frauds, malversation, adverse claims, etc. A proclamation was made of unqualified remissions of all balances of revenue and the restoration of the ancient Hindu rate of assessment of lands. In the area of the former kingdom of the Keladi Nayakas, the tenure was one of the hereditary and fixed rents as laid down by Shivappa Nayaka. Dewan-Regent Purnaiya attempted to systematise the land revenue administration by ordering a *paimayish* (measurement) of fields. But the *paimayish* could not be thorough under the conditions of his days, and the work done was irregular and incomplete. In the district, largely, he continued the *shist* of Shivappa Nayaka. But later, the practice of renting out villages to the highest bidders was resorted to. The State was divided into six *Faujdaris* of which Nagar *Faujdari* was one. The district came under the Nagar *Faujdari*. The *Shist* of Shivappa Nayaka, which was in force in the Nagar *Faujdari*, with an additional tax called *patti* imposed by his successors defined the rates of assessment during this period.

Purnaiyas' reforms

During the next period (1831-1881) when the State was administered by the British Commission, the *raiayatwari* system was made simpler. Those cases in which money rents were represented to be very high were reviewed. Under the *batayi* method, the raiyats had to share the produce of the land equally with the Government and this was now converted into a money-payment, wherever feasible.

During later period

Later, about eight years after the rendition of the State to the royal family, a Land Revenue Code was brought into force with effect from 1st April 1889. The areca-garden-owners of the *malnad* were given a special encouragement for the preservation of existing gardens as well as for the opening of new ones. It was represented by them that hardship was caused to them by the double levy of a heavy land assessment as well as a *sayar* duty on the produce. Especially, the areca-growers of Sagar and Nagar areas suffered not only from a comparatively high land-assessment in addition to a *sayar* duty on the produce, but also from the difficulties of procuring labour, want of suitable markets within an easy reach and from a disease of the areca plant, called *koleroga*. In 1887, a set of *shraya* (progressive rent) rules were

issued as a partial solution. The rules offered liberal encouragement for the formation of new gardens by prescribing in the *malnad* area only a nominal assessment of 25 paise per annum for 12 years and a progressive assessment during the next three years. The garden-owners could cut the barks of all kinds of trees, except sandal and teak, in the *bettas* assigned to them. In 1896, a reduction was made in the assessment on areca gardens. The *halat*, which was a tax on arecanut which had been substituted in place of a share of produce payable to Government, was abolished in 1907. These arrangements were in force until they were superseded by the new system introduced after a regular survey and settlement.

**Excessive
inequality**

Prior to the original settlement, some of the taluks of the district had Shivappa Nayaka's *Rekha-Shist*. The records show that the rates which existed in other areas were those prescribed during the time of Dewan Purnaiya. In order to make additions to the *Varaha-Shist* of Vijayanagara and *Rekha-Shist* of Shivappa Nayaka, *patti* (extra assessment) had been imposed several times by successive regimes. In some places, the rates of assessment, whether on garden, rice or dry crop area, were on the *ukdee* (arbitrary) basis. There existed excessive inequality and the rates were merely nominal. The absence of a proper system of accounts gave way to undue influence.

The wealthy and influential land-holders paid only a lighter assessment. On some garden lands, a charge called *mayganie* was levied after the removal of *sayar* duty on areca, etc. The *hakkal* (uncultivated) lands, which were brought under cultivation, were free of assessment and the dry lands converted into wet lands were not taxed properly. In Tipu Sultan's time, attempts made to resume *umbli* and such other lands were only partially successful owing to maintenance of incorrect accounts. Later, the revenue was farmed out to the highest bidders under the system known as *Sharat Muchhalike*. A defect of the rates prevalent at that time was that the *shift* recovered against valuable *wargs* was changed to that of very lowly assessed and inferior *wargs* and the latter was then relinquished, the valuable *wargs* with their false *shift* being retained. Gardens formed on virgin lands were given out on 12 years' *mundumanya* and three years' *alvi* (i.e., free for 12 years and then gradually increasing assessment for three years). Rice lands were also given out of *alvi*. If the land applied for was *kadim banjar* (immemorial waste), full assessment was not levied for six years. In the case of lands which had not been waste so long, a certain number of years' grace was given proportionate to the time for which the land had been waste. Taking the various defects into account, the Government of India decided that the Raiyatwari system was the one well suited to the needs and traditions of the people. Now a regular survey of all lands was

felt to be absolutely necessary for the proper administration of land revenue. It was not possible to undertake the measure in the early days of the British Commission due to financial difficulties.

The work of the first survey in the old Mysore State was begun in 1863 under the stewardship of Lt. J. P. Grant who followed the system laid down in the famous "Joint Report of 1847" which was in vogue in the "Southern Maratha Country" of the old Bombay Province. The work of classification and settlement continued upto 1898. The several operations incidental to the introduction of survey and settlement in a taluk were measurement and demarcation of lands, classification of soils and fixing of the rates of assessment. Each survey number was demarcated by boundaries such as stones or mounds. The classification of fields according to soil was made in accordance with certain principles, soils being first divided into three categories, differing in composition and colour; each category was then placed under one of the nine classes according to its depth from the surface and to each such class a relative value was affixed expressing in fractions of sixteenth of a rupee. Before finally fixing the assessment, the tract, which was subjected to settlement operations, was divided into a number of groups of villages homogeneous in respect of its characteristics such as climate, rainfall, general fertility of the soil, communications and markets. The revenue history of the previous 30 years relating to the tracts was also taken into consideration. The amount of assessment was then apportioned to different villages. An account of original settlement in the several taluks of the area forming the present Shimoga district is given below.

Original
settlement

Sorab taluk.—The Sorab taluk, which had 307 villages, was the first taluk where the original settlement was completed in respect of 19 villages only. In 1871, the settlement with regard to the remaining villages of the taluk was also completed. It was found that the old rates of assessment were based partly on the *Varaha-Shist* of Vijayanagara and partly on Shivappa Nayaka's *Rekha-Shist* with a *patti* from time to time. The classification for assessment was : rice lands, dry lands and garden lands. The rice lands were divided into three groups, I class with 26 villages, II class with 204 villages and III class with 58 villages and the maximum rates of assessment for them were Rs. 6-4-0, Rs. 6-0-0 and Rs. 5-8-0 respectively. The dry lands were also divided into three categories, 26 villages in I class, 56 villages in II class and 206 villages in III class, the maximum rates being Rs. 1-2-0, Re. 1-0-0 and Re. 0-12-0 respectively. On garden lands, the rate was Rs. 20 per acre. The land revenue collections, due to this original settlement, increased from Rs. 1,34,925 to Rs. 1,60,582.

Channagiri taluk.—In 1870, a survey was conducted in 138 villages of Channagiri taluk. Though this taluk was in the Nagar division, Shivappa Nayaka's *Shist* was not prevalent in this taluk. The *batayi* system also did not exist there. The rates that were in existence were framed in Dewan Purnaiya's time, and the payment was invariably in cash. The 138 villages of the taluk were divided into three groups of dry lands with 79 villages in I class, 18 villages in II class and 41 villages in III class, the assessment being Rs. 2-0-0, Rs. 1-12-0 and Rs. 1-8-0 respectively. For rice lands, the maximum assessment was Rs. 8 for gardens under tanks it was Rs. 16 and gardens under wells were charged at Rs. 5. The area cultivated was 51,746 acres, the uncultivated area being 47,415 acres. The land revenue decreased from Rs. 54,092 to Rs. 52,278 in respect of these villages. The survey of the remaining 88 villages of the taluk was conducted in 1871. The dry lands were classed into I, II and III categories with 21, 46 and 21 villages respectively. The rates of assessment for them were Rs. 1-14-0, Rs. 1-12-0 and Rs. 1-8-0 respectively. For rice lands, the rate was Rs. 8 per acre, for tank gardens it was Rs. 16 and for well gardens Rs. 5. The revenue in respect of these villages was increased from Rs. 31,948 to 37,000.

Shikaripur taluk.—The survey in respect of this taluk was conducted under two different periods; the survey in respect of 103 villages was completed in 1872 and that of the remaining 68 villages in 1873. The rice lands of the area were classed into four groups, the I class having one village with a maximum assessment rate at Rs. 6-8-0, the II class having 21 villages with Rs. 6-4-0 as the maximum rate, the III class with 65 villages with Rs. 6-0-0 as the maximum rate and the IV class having 16 villages for which the maximum assessment was Rs. 5-8-0. The dry crop lands were put into five groups as follows :—

Class	No. of villages	Maximum rate for dry crops		
		Rs.	a.	p.
I	11	1	12	0
II	12	1	8	0
III	8	1	4	0
IV	28	1	2	0
V	44	1	0	0

The garden-crop lands were assessed at Rs. 16 per acre and the gardens with wells at Rs. 4. The revenue increased from Rs. 88,072 to Rs. 97,109. The survey of 68 villages in Shikaripur taluk was conducted in 1872. Shivappa Nayaka's *Shist* had formed the foundation of land assessments here, but additions had been made for various reasons. The rice lands were now classed

into three groups, the I class with 22 villages for which the maximum assessment was Rs. 6-8-0 per acre, the II class with 30 villages for which the maximum assessment was Rs. 6-0-0 and the III class with 16 villages for which Rs. 5-8-0 was the maximum rate. The dry lands were grouped into four classes, the details of which are given below :—

Class	No. of villages	Maximum rates		
		Rs.	a.	p.
I	7	2	4	0
II	14	1	14	0
III	22	1	8	0
IV	25	1	2	0

The maximum rate of garden lands was Rs. 16 per acre. The land revenue rose from Rs. 35,213 to Rs. 41,040.

Honnali taluk.—The Honnali taluk comprising 200 villages was surveyed in the year 1873. Shivappa Nayaka's *Shist* was not in force at that time. However, the assessment was similar to that of *shist* and there was a distinction between *shist* and *patti*. The maximum rates in respect of dry crop lands and rice lands were as given below :

Class	No. of villages	Maximum rates		
		Rs.	a.	p.
Dry lands :				
I	25	2	8	0
II	38	2	4	0
III	31	2	0	0
IV	36	1	12	0
V	22	1	8	0
VI	21	1	4	0
VII	27	1	0	0
Rice lands :				
I	14	6	2	3
II	28	6	0	0
III	158	5	8	0

The garden lands, measuring only 544 acres, were assessed at Rs. 16 as the maximum rate. The revenue after the introduction of the rates of the original settlement increased from Rs. 88,572 to Rs. 1,07,601.

Sagar taluk.—The Sagar taluk, which had 471 villages, was surveyed in 1873, Shivappa Nayaka's *shist* with several additions

was prevalent here. Then the maximum rates of assessment of rice lands (irrigated) and dry lands were as follows:—

<i>Class</i>	<i>No. of villages</i>	<i>Maximum rates</i>
Rice lands (irrigated):		
		Rs.a. p.
I	35	6 8 0
II	127	6 4 0
III	82	6 0 0
IV	157	5 12 0
V	27	5 4 0
VI	43	4 12 0
Dry lands :		
I	117	1 0 0
II	311	0 12 0
III	43	0 8 0

For the garden lands, the maximum assessment rate was Rs. 25. The amount of taxes increased from Rs. 1,55,512 to Rs. 1,95,573.

Anantapur taluk.—The Anantapur taluk, which had 390 villages, was surveyed in 1873-74. The *shist* of Shivappa Nayaka was obtaining in this area. The rice lands and dry lands were grouped as follows for assessment:—

<i>Group</i>	<i>No. of villages</i>	<i>Maximum rates</i>
Rice lands:		
		Rs. a. p.
I	78	6 0 0
II	198	5 8 0
III	86	5 0 0
IV	28	4 8 0
Dry lands :		
I	9	1 4 0
II	242	1 0 0
III	139	0 12 0

The garden lands were assessed at Rs. 22 per acre for the western half of the taluk and Rs. 20 per acre for the eastern half. The land revenue now realised was Rs. 86,658 as against Rs. 67,067 under the old system.

Shimoga taluk.—The Shimoga taluk comprised 278 Government villages. The land revenue system prevalent here also was

Shivappa Nayaka's *Shist*. The rice lands and dry lands were now grouped into classes as follows for assessment :—

<i>Class</i>	<i>No. of villages</i>	<i>Maximum rates</i>
Rice lands :		
		Rs. a. p.
I	117	6 0 0
II	57	5 8 0
III	104	5 0 0
Dry lands :		
I	41	2 4 0
II	56	2 0 0
III	56	1 4 0
IV	82	1 0 0
V	43	0 12 0

The gardens were assessed at Rs. 16 for tank gardens and Rs. 6 for gardens with wells. The land revenue now increased from Rs. 80,173 to Rs. 1,09,125.

Nagar taluk.—The Nagar taluk had 418 Government villages when it was surveyed in 1876. Shivappa Nayaka's *Shist* was in operation in the taluk. The lands were now classed into three groups and the class-wise rates were as shown hereunder :—

<i>Class</i>	<i>No. of villages</i>	<i>Maximum rates</i>		
		<i>Dry</i>	<i>Rice</i>	<i>Garden</i>
		Rs. a. p.	Rs. a. p.	Rs. a. p.
I	234	0 12 0	5 8 0	18 0 0
II	98	0 8 0	5 0 0	15 0 0
III	36	0 8 0	4 4 0	15 0 0

There was then an increase in the land revenue from Rs. 78,683 to Rs. 1,10,192.

Kavaledurga taluk.—There were 743 Government villages in Kavaledurga (now Tirthahalli) taluk, which were surveyed in 1877. The lands of the taluk were classed into three groups as under :—

<i>Group</i>	<i>No. of villages</i>	<i>Maximum rates</i>		
		<i>Dry</i>	<i>Rice</i>	<i>Garden</i>
		Rs. a. p.	Rs. a. p.	Rs. a. p.
I	214	1 0 0	6 0 0	20 0 0
II	356	0 12 0	5 8 0	18 0 0
III	173	0 8 0	5 0 0	16 0 0

These rates were the same as made applicable in the adjoining taluks of Nagar, Anantapur and Shimoga. The increase in the land revenue in this taluk was from Rs. 1,30,076 to Rs. 2,07,442.

The Mysore Land Revenue Code was enacted in 1888 on the lines of the Bombay Land Revenue Code, 1863. The basis on which the original settlement had to be revised was laid down in Section 115 of the Mysore Land Revenue Code. The first revision settlement took place between 1901 and 1916. During the original settlement and this revision settlement, the unit of the settlement operations was a taluk, which was divided into groups based predominantly on factors such as climate and rainfall, proximity to markets, and communications. The rates of assessment as revised under the first revision settlement which were in force upto 1965 are given below taluk-wise:—

Sl. No.	Taluk	Group	Rate of assessment on lands						
			1	2	3	4	5	6	
			Dry	Wet	Garden				
1	Bhadravati	I	1.37	6.25	16.00	16.00	16.00	16.00	Rs. p.
		II	1.12	5.75	16.00	16.00	16.00	16.00	
		III	0.75	5.25	16.00	16.00	16.00	16.00	
		IV	1.12	4.50	16.00	16.00	16.00	16.00	
2	Channagiri	I	2.25	8.00	10.00	10.00	10.00	10.00	
		II	2.12	8.00	10.00	10.00	10.00	10.00	
		III	2.00	8.00	10.00	10.00	10.00	10.00	
3	Honnali	I	2.87	5.50	10.00	10.00	10.00	10.00	
		II	2.62	5.50	10.00	10.00	10.00	10.00	
		III	2.37	5.50	10.00	10.00	10.00	10.00	
		IV	2.00	5.50	10.00	10.00	10.00	10.00	
		V	1.75	5.50	10.00	10.00	10.00	10.00	
		VI	1.37	6.75	10.00	10.00	10.00	10.00	
		VII	1.12	5.50	10.00	10.00	10.00	10.00	
				6.75	10.00	10.00	10.00	10.00	
				6.25	10.00	10.00	10.00	10.00	
				5.50	10.00	10.00	10.00	10.00	
4	Hosangar	I	0.75	5.75	12.00	12.00	12.00	12.00	
		II	0.50	5.25	12.00	12.00	12.00	12.00	
		III	0.50	4.50	12.00	12.00	12.00	12.00	
5	Sagar	I	1.00	6.50	16.00	16.00	16.00	16.00	
		II	1.00	6.00	16.00	16.00	16.00	16.00	
		III	0.75	5.00	16.00	16.00	16.00	16.00	
		IV	0.50	4.00	12.00	12.00	12.00	12.00	
		V	0.50	3.50	9.00	9.00	9.00	9.00	

First Revision Settlement

1	2	3	4	5	6
6	Shikaripur	I	2.25	7.00	10.00
		II	2.25	6.50	10.00
		III	2.00	6.00	10.00
		IV	1.75	5.00	10.00
		V	1.50	..	10.00
		VI	1.25	..	10.00
		VII	1.25	..	10.00
7	Shimoga	I	2.62	6.50	12.00
		II	2.75	5.75	12.00
		III	1.37	5.75	12.00
		IV	1.12	..	12.00
		V	0.75	..	12.00
8	Sorab	I	1.25	6.75	20.00
		II	1.00	6.50	20.00
		III	0.75	6.00	20.00
9	Tirthahalli	I	1.00	6.75	18.00
		II	0.75	6.12	16.00
		III	0.50	5.62	15.00

It had been accepted in principle that after a lapse of about thirty years, the circumstances of various types of lands should be investigated afresh and new rates of assessment fixed. It was found that different land-revenue systems were prevailing in the different parts of the new State. The State Government appointed the then Deputy Commissioner for Settlement to formulate uniform principles and procedures of settlement which would be applicable to the entire new State. Having studied the various measures adopted by the Governments of neighbouring States for reforming the system of assessment, bearing in mind the suggestions of the Taxation Enquiry Committee and other similar factors, he formulated his proposals of a uniform system of assessment. His proposals were examined in detail and accepted by the Government. By the enactment of the Mysore Land Revenue Code in 1964, uniformity was introduced in the procedure of settlement throughout the State and the second revision settlement was carried out and enforced from 1965 with the new uniform pattern.

**Second Revision
Settlement**

A special feature of the new system of assessment of land revenue is that the zone forms the unit of settlement operations. This unit comprises a taluk or a group of taluks, or portions thereof, of one or more districts, which, in the opinion of the Government or an officer authorised by it in this behalf, is contiguous and homogeneous in respect of physical configuration, climate and rainfall, principal crops grown in the area and soil characteristics. It may be noted here that no zone, however

**New principles of
Settlement**

scientifically formed, can give a completely homogeneous area without, at least, a little variation from place to place. All lands falling within the respective zones in respect of the above-mentioned factors were brought under different groups, so as to admit of the application to them the same standard rates. These lands in each group are further classified according to the relative valuation of land as found in the survey records, having regard to its soil, water and other advantages derived by them and the standard rates were fixed.

Standard rates

While arriving at the standard rates, the Settlement Officer took into consideration the exact share of the average gross yield (in terms of money) that would represent an equitable rate of assessment for any particular zone, having due regard to other factors like climate and rainfall, proximity to the market, developments in communications, the standard of husbandry, etc. He took into consideration rainfall data for the last 30 years prior to the commencement of the settlement operations in order to assess the effects of the existing rates and correlating them with the seasonal conditions of the past. He had to know whether the tract was having excessive population without sufficient lands to till, which would have an adverse effect on the standard of living, or whether it was scarcely populated which would again bring in another malady of insufficient labour. The livestock position had also to be taken into consideration. A study of wage rates and prices of agricultural commodities had also to be made. The prices of each principal crops for 30 years from 1930-31 to 1959-63 were also taken into consideration. The average yield of various crops was converted into money value on the basis of the average prices prevailing.

While arriving at the gross yield from a particular class of land in a group, the results of all the crop-cutting experiments of the principal crops done during the previous ten years were also taken into consideration. Any settlement, under which the assessment is fixed and remains so for a number of years, is based on the presumption that prices would behave as anticipated at the time when settlement operations were undertaken. Any large fluctuations in the prices would upset the calculations. But there is scope for providing against such large variations in price-levels by allowing rebates or levying surcharges as the case may be.

The standard rates arrived at on the basis of the gross produce of the principal crops for each category were recommended by the Settlement Officers. These rates and the Settlement Reports on which they were based were published calling for objections, if any, thereon, and, after reasonable time being allowed, the reports and the objections together with the opinion of the Deputy Commissioner thereon were forwarded to the Government through the

Commissioner for Settlement for purpose of placing them before the Legislature. These reports were then considered by both the Houses of the Legislature. The approved standard rates in respect of each of the zones together with modifications were then notified in the Karnataka Gazette in December 1965. It was recommended by the Settlement Officer that this standard rate was not, ordinarily, to exceed 1/16th of the average gross yield of the principal crops grown on that class of land in a group.

After this also, there were various representations from the people of the *malnad* districts in particular. One of the main points raised by them was that the rain-fed wet rates approved by the Government for the *malnad* districts were very high and did not reflect the true fertility of the lands and their productivity. The Government, after making an objective assessment of the entire question, came to the conclusion that there were some anomalies also in the fixation of standard rates which needed further examination. But when once the standard rates were approved by the Legislature, they could not be revised except by resettlement operations, which again could not be undertaken within the guaranteed period as per the Act. So, a suitable amendment to the Mysore Land Revenue Act was made which has provided that the Government may order resettlement operations during the currency of a settlement period, when the Government for reasons to be recorded, comes to the conclusion that such a step is necessary. By this measure, it became possible to reconsider the standard rates if necessary and to remedy all cases of faulty standard rates.

The entire area of Shimoga district, for purpose of settlement operations, was brought under three zones formed for the purpose. The taluks of Sorab, Sagar, Shikaripur, Hosanagar and Tirthahalli were grouped under zone I, while Shimoga and Bhadravati taluks under Zone III and Honnali and Channagiri taluks under Zone IV. (The taluks of Kadur and Tarikere of Chikmagalur district were also included in zone III, while Harihar and Davanagere taluks in Zone IV). Further, each zone was divided into groups for purpose of fixing the rates. The Tirthahalli and Hosanagar taluks, some *malnad* parts of Sagar taluk and southernmost parts of Sorab taluk were brought under group I of Zone I, and Shikaripur taluk, major parts of Anandapuram hobli and a few villages of Sagar taluk and a major portion of Sorab taluk were brought under group II of Zone I. Similarly, Shimoga and Bhadravati taluks came under group IV of Zone III and Honnali and Channagiri taluks under groups II and III of zone IV respectively. The standard rates were accordingly fixed by the Government under a separate notification for dry, wet and garden lands under each group separately for each zone. While fixing the standard rates, it was accepted by the Government that four per

Grouping of areas

cent of the cash value of the average gross yield per acre might be taken as the base for levying assessment rates. The Government accordingly notified the revised standard rates as under.

The areas of Shimoga district, for purposes of settlement, were put under three zones as follows :—

Zone I.—Paddy and arecanut are the important crops of this zone. The number of villages in each of the two groups were 736 and 474 respectively. Out of 736 villages coming under group I, 247 villages were in Tirthahalli, 209 in Hosanagar, 226 in Sagar and 54 in Sorab. On the other hand, 43 villages of Sagar, 252 villages of Sorab and 179 villages of Shikaripur were under group II.

The cash value of the average gross yield, per acre in these villages was found to be Rs. 229.17 for paddy and Rs. 1,588.76 for areca in Gorup I, and Rs. 243.32 for paddy in Group II. The Government accordingly notified the revised standard rates as follows : Group I, dry lands Re. 0.71, wet lands Rs. 9.17, garden lands Rs. 63.65 ; Group II, dry lands Rs. 1.21, wet lands Rs. 9.75, garden lands Rs. 75.62.

Zone III.—Paddy is the predominant crop, but ragi, a dry crop, forms the staple food grain of the agricultural population. Jowar, horsegram, groundnut, coriander and coconut are the other crops. The number of villages was 235 in Shimoga taluk and 167 in Bhadravati taluk, the total being 402. The cash value of the average gross yield per acre as arrived at for Group IV only for dry and wet lands was Rs. 52.80 and Rs. 273.11 respectively. The Government notified the revised standard rates as follows :—

<i>Group</i>	<i>Dry</i>	<i>Wet</i>	<i>Garden</i>
	Rs. p.	Rs. p.	Rs. p.
I	4.79	11.11	11.10/56.70 areca
II	3.22	11.82	14.10 do
III	2.89	11.82	14.37 do
IV	2.11	10.92	14.37 do

Zone IV.—Jowar, ragi, groundnut, cotton and chillies are grown in the dry areas and paddy and sugarcane are grown in the irrigated areas of the zone. The number of villages in Group II was 90 in Honnali taluk and 152 in Channagiri taluk. In Group III were included 94 villages of Channagiri taluk and 78 villages of Honnali taluk. The Government accordingly notified the revised standard rates as follows :—

<i>Group</i>	<i>Dry</i>	<i>Wet</i>	<i>Garden</i>
	Rs. p.	Rs. p.	Rs. p.
I	2.77	6.40	7.68
II	2.52	6.40	7.68
III	2.28	7.96	9.60

Under the old arrangement, consolidated wet assessment was levied on all lands that came under irrigation from a Government source. Now wet assessment under the new arrangement is levied only on rainfed wet lands not deriving advantage of water from any Government irrigational source, while lands coming under a Government irrigational source are liable to a levy of dry assessment in addition to water-rate under the Karnataka Irrigation (Levy of Betterment Contribution and Water Rate) Act, 1957. The water-rate is not included in the land revenue assessment under the new settlement. The rules relating to the water-rates were issued in 1965. Subsequently, the water-rates were enhanced by 33 1/3 per cent of the existing rates and the revised rates came into force from 1966. The Government appointed a committee to go into the question of water-rates, which reviewed the entire issue and recommended that the water-rates may be scaled down and levying of maintenance charges might not be continued. The Government accepted the recommendations and passed orders accordingly. However, the Government had to reconsider the issue in view of the mounting expenditure of irrigation projects, and the maintenance cess was restored and it is levied in accordance with the Karnataka Irrigation Act of 1965. The water-rates leviable on lands coming under the Government source of irrigation are defined under Rule 3 of the Karnataka Irrigation (Levy of Water Rate) (Amendment) Rules, 1971, and they were given effect to, from 1st July 1965 as follows :—

Water rates

Sl. No.	Crops	Water-rate per acre* in Rs.
1	For sugarcane crop :	
	(a) to be harvested within a period of twelve months ..	20.00
	(b) to be harvested after a period of twelve months but before a period of eighteen months.	30.00
2	For paddy crop	11.00
3	For any crop of jowar, maize, ragi, <i>navane</i> , <i>sajje</i> , pulses, green gram, wheat, cotton, groundnut, vegetables, chillies, potatoes, sweet potatoes, gingelly, onions, tobacco or coriander.	5.50
4	For any manuraial crop such as sannhemp or sesbania ..	3.00
5	For any crop of arecanut, betel-leaves, turmeric, lime, oranges, pomegranates, coconut, pepper, mulberry or any fruit.	12.00

*(2.47 acres = 1 hectare)

Where water is supplied or made available or used from any irrigation works for irrigating any specified crops which are grown twice in a revenue year, water-rate on the second crop of such crops was levied at the rate of (i) five rupees and fifty paise per

acre where the crop grown was paddy ; (ii) two rupees and seventy-five paise per acre in other cases. Where water made available from any irrigation works has to be used by bailing or using a mechanical contrivance, water-rates are levied at half the rates specified. Where water is made available for irrigating any land which had not been irrigated by water before these Rules came into force, water-rates are levied at the following concessional rates during the first three years of irrigation of such lands :

- (i) for the first year .. Nil
- (ii) for the second year .. One-fourth of the rates specified.
- (iii) for the third year .. One-half of the rates specified.

The Government made upward revisions of the water-rates with effect from 1st July 1972 under Rule 3 of the Karnataka Irrigation (Levy of Water Rate) (Amendment) Rules, 1972, as follows :—

Sl. No.	Crop	Water rate per acre
1	For sugarcane crop :	Rs.
	(a) to be harvested within a period of 12 months ..	40
	(b) to be harvested after a period of twelve months but before a period of 18 months.	60
2	For paddy crop	20
3	For any crop of jowar, maize, ragi, <i>navane</i> , <i>sajje</i> , pulses, green gram, wheat, cotton, groundnut, vegetables, chillies, potatoes, sweet potatoes, gingelly, onions, tobacco or coriander.	12
4	For any manurial crop such as sannhemp or sesbania ..	6
5	For any crop of arecanut, plantain, betel-leaves, turmeric, lime, oranges, pomegranates, coconut, pepper, mulberry or any fruit.	24

In addition, a cess called "Maintenance cess" is also leviable for irrigated lands under Section 44 of the Karnataka Irrigation Act, 1965, at a rate of rupees four per annum and this levy was made effective from 1st January 1966.

The land revenue matters are regulated by the Karnataka Land Revenue Act, 1964 (Karnataka Act 12 of 1964) and the Rules framed thereunder. The responsibility for the collection of land revenues lies with the Tahsildars, Revenue Inspectors, Village Accountants and Patels. The Deputy Commissioner is in overall charge of the work. The Government have powers to fix dates for the payment of the assessment. Ordinarily, the land-owners cannot resort to excuses for delayed or irregular payment of revenue and the Deputy Commissioner of the district has powers to get the harvested crops released for sale and then collect the revenue dues from the sale-proceeds in case of wilful default.

The following statement shows the demand, collection and balance of land revenue in the district from 1966-67 to 1972-73 :—

(Amount in rupees)

Year	Demand	Collection	Balance
1966-67	1,12,54,722-76	15,59,600-85	96,95,121-91
1967-68	1,56,58,907-58	31,16,767-12	1,25,42,140-46
1968-69	1,84,88,516-81	34,48,105-04	1,50,40,411-77
1969-70	1,92,38,161-63	78,61,652-39	1,13,76,509-24
1970-71	1,55,85,014-55	61,14,541-17	94,70,473-38
1971-72	82,10,167-00	23,60,707-00	58,49,460-00
1972-73	78,99,414-00	26,92,323-00	52,07,091-00

The taluk-wise break-up of demand, collection and balance of land revenue for the year 1973-74 was as given below :—

(Amount in rupees)

Sl. No.	Taluk	Demand	Collection	Balance
1	Bhadravati	6,19,271	3,97,067	2,22,204
2	Channagiri	16,83,472	7,93,072	8,90,400
3	Honnali	13,77,018	2,53,317	11,21,701
4	Hosanagar	5,03,215	2,49,987	2,53,228
5	Sagar	3,62,032	1,79,765	1,82,267
6	Shikaripur	5,46,829	2,82,583	2,64,246
7	Shimoga	14,72,150	6,75,206	7,96,944
8	Sorab	6,49,435	2,71,503	3,77,932
9	Tirthahalli	2,88,992	1,80,376	1,08,616
	Total	75,02,414	32,84,876	42,17,538

Remissions.—There has been liberalisation of the Remission Rules applicable during scarcity years. In tracts, which suffer badly from drought, the State Government have powers to suspend the collection of land revenue or order a remission of a part of the demand as a special concession. A *hobli* in the taluk is to be treated as a tract for purposes of suspension of dry assessment. There were no specific rules prior to 1922 and when occasions for grant of relief arose, as in 1908-09, the Government passed special orders for the occasion. For the first time in 1922, Rules regarding grants of suspension and remission were issued which were based mainly on the Bombay pattern. The Remission Rules of 1922 were later revised from time to time, so as to make them more liberal and the grant of relief more prompt, the latest revision being in 1965.

Tenures

The tenancy problem originated when the land-owner who was the occupant of the land, asked someone else to cultivate it on terms defined by contract or custom. The distinction between such a tenant and an agricultural labourer was well defined. In some cases, the land-owners supplied some capital and equipment and in some others, only the land and took no interest in agricultural operations. The tenant's reward fluctuated according to the crops he obtained and the prices the crops fetched. During an exhaustive enquiry by a Committee appointed in connection with the revision of the land revenue system in the erstwhile Mysore State in 1948, it was found that to a certain extent, rock-renting and allied evils existed. The land-holders were all agreed that due to paucity of cultivators in the *malnad*, the tenants were an asset to them and that no land-holder would rock-rent a tenant or evict him as tenants were always in great demand and difficult to get. The representatives of *genidars* (tenants), who had formed a union, urged that legislation should at once be enacted, fixing minimum rent at the scales prescribed in the Bombay Act and giving the protected tenants the right to compel the land owner to sell the land to them for a reasonable price.

The Committee thought that legislation might actually make the relationship between the land-owners and the tenants worse, because all the small points which were covered by local usage could not be brought under legislation and that such a legislation might be harmful to the tenants, as it would result in litigation. There was at the time no separate law on tenancy in the State and the law courts were applying the provisions of the Transfer of Property Act (Act IV of 1918) to agricultural leases on the ground of justice, equity and good conscience. In 1952, the Mysore Tenancy Act was passed in order to give protection to the tenants. The latest legislation on land reforms, the Karnataka Land Reforms (Amendment) Act, 1973, has abolished the system of tenancy in the whole of Karnataka.

Local tenancy systems

It is of interest to note the various types of tenures that existed in Shimoga district in 1973. In the Shimoga taluk, the systems of tenure that were in vogue were *Mulageni*, *Chalageni*, *Guttige* and *Vara*. The *Mulageni* tenancy has been defined as a permanent and hereditary tenure. The *Mulageni* tenants paid a fixed rent to the land-owner and his successors and obtained a perpetual grant of a portion of land to be held by them and their heirs. This right could not be sold by the *Mulagenidar* or his heirs, but it was allowed to be mortgaged by them. So long as the stipulated rent continued to be duly paid, he or his descendants inherited the land like any other part of their hereditary property. This amounted in fact to a permanent alienation of a certain portion of land by the land-owner, for it never again lapsed to him or his descendants except on the failure of heirs to the

permanent lessee. If the lessee desired to give up the land, he had to give it to the lessor, receiving from him the value of any improvement that might have been made. The *Mulageni* tenants paid their rent by cash at about Rs. 10 per acre or by kind at about 50 seers of paddy per acre. There were approximately 200 *Mulagenidars* in the taluk. The *Chalageni* was not hereditary, but it could not be changed at will. It was only the Munsiff's court that could permit resumption of land for personal cultivation by the land owner. The rent paid was nearly one-fourth of the gross produce. The *Chalageni* tenants and the *Guttige* tenants paid a rent of about 200 seers of paddy per acre or its price at the prevailing market rate. There were about 7,500 *Chalagenidars* and about 2,400 *Guttigedars* in the taluk. The *Guttige* and the *Vara* tenancies could be terminated at will by the tenant or the land-owner. The *Guttige* tenants paid the rent according to the agreements entered into with the land-owners. Under the *Vara* system, the produce was shared equally.

In the Bhadravati taluk, largely the *Chalageni* system prevailed. In the Honnali and Channagiri taluks, *Koru* and *Guttige* systems were in vogue. Under the first system, the rent to be given was at 50 per cent of the total yield. In the Shikaripur taluk, *Koru* and *Guttige* were the tenure systems followed. In the Hosanagar taluk, the *Mulageni*, *Chalageni*, *Guttige* and *Koru* systems were prevalent. The proportion of rent in all these cases depended upon the terms and conditions agreed to between the land-owners and the tenants. In the Sagar taluk, the tenants were paying rent in cash or share of produce by *Guttige*, *Mulageni*, etc. The rents paid were 25 per cent of the total produce in respect of irrigated lands and 20 per cent in other cases. There were, 1,500 tenants paying cash, while, 1,200 were sharers of produce and 600 were following the *Guttige* system. In Sorab taluk, *Chalageni*, *Guttige*, *Vara* and *Mulageni* were the tenure systems prevalent. There were about 500 *Mulageni* tenants, 2,000 *Chalageni* tenants, 5,000 *Guttige* tenants and 600 *Vara* tenants. The rent paid was about 240 kgs. per acre. In the Tirthahalli taluk, *Mulageni*, *Chalageni* and *Guttige* were the tenure systems. There were about 1,000 *Mulagenidars*, 8,000 *Chalagenidars* and 500 *Guttigedars*. The proportions of rents vary as per *geni-karar* (rental agreement). Usually, the rent was an average called *Kogu-sale-geni*. It was three to five quintals of paddy and eight to twelve maunds of areca per acre. After the enforcement of the Karnataka Land Reforms Act, 1961, the rent was determined on the basis of average yield.

Prior to the enactment of the Mysore Tenancy Act of 1952, **Tenancy rights** the tenancy rights were being regulated by the Mysore Land Revenue Code of 1888. There were three classes of tenants in the old Mysore State area, (1) those with absolutely permanent

rights, namely, *kadim* tenants in respect of *inam* lands paying only land revenue but with permanent rights, (2) permanent tenants in both alienated and Government villages holding lands for more than 12 years or recognised as such by contract or exercising the right of transfer and (3) tenants-at-will. The Mysore Tenancy Act of 1952 and Rules framed thereunder gave some security to certain categories of tenants. The tenants in possession of lands at the commencement of the Act were given a period of five years and were liable to ejection at the end unless the land-owner allowed them to continue. Tenants, who had been in continuous possession for a period exceeding 12 years before 1st April 1951, were given further security by providing that the land-owner could eject them on the sole ground of personal cultivation only from a part of the holding. The maximum rent was also stipulated at one-half of the produce. The land-owner could resume half the area of a tenant holding ten acres or less. In the case of tenants holding more than ten acres, the land-owner could resume 50 to 75 per cent of the tenancy area. In October 1954, the State Government introduced in the Legislature a bill to amend the 1952 Act in order to further protect the interests of the tenants. But the measure had not completed all the necessary stages for becoming law when the State was reorganised in 1956. Therefore, as a temporary measure, the 1952 Act was amended by an Ordinance dated the 11th March 1957, continuing all leases, where the period of five years had expired and also requiring that surrenders of land should be in writing and duly verified and registered in the office of the Tahsildar.

**Land Reforms
Act**

In the various parts of the new Mysore State different tenancy laws were in force and there was a persistent demand for examining afresh the tenancy problems in detail and for adoption of a uniform measure. Therefore, a committee called the Mysore Tenancy and Agricultural Land Laws Committee was appointed on 10th May 1957, under the chairmanship of Shri B. D. Jatti. This Committee went into the question of fixation of rent, security of tenure, right of resumption of land by landholders for personal cultivation, right of purchase by tenants and payment of compensation to landlords, ceilings and land-holdings and other cognate matters. The Committee after fully examining all these aspects submitted its report in 1958. The Government then introduced a bill called the Karnataka Land Reforms Bill, 1958, in the Karnataka Legislature. After a general discussion, the bill was referred to a Joint Select Committee of both the Houses consisting of 46 members. This Joint Select Committee heard witnesses, considered a number of representations, comments and memoranda. This Committee considered also the views of the Planning Commission. In the light of these and the discussions that had taken place in the Karnataka Legislature, the Joint Select Committee examined all the provisions of the bill and submitted

its report on 25th March 1961. The bill was adopted with certain changes by the State Legislature in November 1961 and it received the assent of the President of India in March 1962. However, as it was found necessary to amend certain provisions of the Act, its implementation was held up for some time. It was accordingly amended in 1965 by Act No. XIV of 1965. The Karnataka Land Reforms Act, 1961 (Karnataka Act X of 1962), as amended in 1965 had been brought into force throughout the State with effect from the 2nd October 1965, the Gandhi Jayanti day. The enactment had made comprehensive provisions in respect of tenants' rights, ceiling limits of existing holdings and future acquisitions, payment of compensation for surplus lands taken over from land-owners and other connected matters. Under the provisions of the Act, no tenancy could be terminated merely on the ground that its duration, whether by agreement or otherwise, had expired. Tenants who were cultivating the lands prior to 10th September 1957, but who had been dispossessed either by surrender or eviction, were entitled for restoration of possession. Land in excess of 27 standard acres in the case of existing holdings were to be treated as surplus lands, which were to be vested with the Government. The ceiling area for future holdings was limited to 18 standard acres. The Land Reforms Act, was further amended in 1966, 1967, 1968, 1970, 1972 and 1974. Several highly important provisions were made by the Karnataka Land Reforms (Amendment) Act 1973 (Karnataka Act No. 1 of 1974).

Over five lakh families of tenants, spread throughout Karnataka, will become free from the clutches of the landlords with the implementation of the Karnataka Land Reforms (Amendment) Act, 1973 (Act No. 1 of 1974). This Act, a major policy decision designed to give reality to the slogan "Land to the Tiller", has come into force with effect from March 1, 1974.

Radical measures

The Act, which is considered to be a most revolutionary measure in the history of agrarian reforms in the country, has also enabled agricultural labourers and landless persons belonging to the Scheduled Castes and Scheduled Tribes and others to own the land. Besides reducing the ceiling limit on the land to be held by each family, the Act has reduced the size of the family by redefining the term. Persons with an annual income exceeding Rs. 12,000 from non-agricultural sources, companies, associations and co-operative societies are barred from acquiring lands in future except under specified conditions.

Abolition of Tenancy : The tenant-landlord relationship has come to an end and there will be no future tenancies except in the cases of soldiers and seamen and Court of Wards. As a sequel to abolition of tenancies, about 3.97 lakh holdings comprising 10.18 lakh hectares of land will go to the tenants who are cultivating them on lease and 1.6 lakh hectares of surplus land

will be made over to the displaced tenants, agricultural labourers, landless persons, including ex-service personnel whose gross annual income does not exceed Rs. 2,000. Other persons in the villages in the taluk or the adjacent taluk having less than one unit with gross annual income of Rs. 2,000 will get land in the order of priority fixed. Fifty per cent of the surplus land is reserved for Scheduled Castes and Scheduled Tribes.

The tenants have to pay to Government an amount equal to fifteen times the net annual income in the case of A, B and C classes of land and twenty times such income in case of D class of lands to be eligible to be registered as occupants. They are permitted to pay the amount in one lumpsum or in twenty annual instalments with interest at $4\frac{1}{2}$ per cent per annum. In case of a permanent tenant, however, the amount payable shall be six times the difference between the rent and land revenue.

Classification of Lands: 'A' Class lands include those having facilities for assured irrigation from Government canal or tank capable of supplying water for two crops of paddy a year; 'B' class include those lands having similar facilities for one paddy crop a year and lands irrigated by lift irrigation constructed or maintained by Government and wherein two crops of paddy can be grown in a year; 'C' class lands include those irrigated by any other Government source of water and also by lifting water from any river or Government canal, pumping installations or any other device of lifting water having been provided by individual himself and the lands wherein paddy or areca crops can be grown with the help of rain water. 'D' class includes dry lands.

Possession of Lands: The Government will take possession of all tenanted lands except those mentioned under Section 5, and the Taluk Tribunals will decide the proceedings relating to the conferment of ownership rights on tenants and distribution of surplus lands. Every person entitled to be registered as an occupant has to file his application before the Tribunal of the concerned taluk in Form 7 before 31st December 1974. In order to eliminate the huge costs involved in litigation and the time-consuming procedures, the Government has declared that the decision of the Tribunal is final and that no legal practitioner will be allowed to appear in any proceedings. The right of resumption of tenanted land available to the landlords under the principal Act will no more be there. All pending applications for resumption will abate. The rent to be paid will be 10 times the land revenue plus water rate at specified rates.

Ceiling Limit: Another important feature in the amended Act is bringing down of the ceiling limit from the existing 27-216 acres per family to 10-54 acres per family and the reduced ceiling will be effective from 24th January 1971. For the purpose of

ceiling, the lands classified earlier into seven classes is now re-classified into four classes. Plantation lands of coffee, tea, rubber, pepper and cardamom are exempted from ceiling. Exemptions from ceiling available to the lands exclusively used for grazing the cattle, forest lands, lands used for specialised farms, sugarcane farms, etc., will cease. For the extinguishment of the rights of the landlords in the lands vesting in Government, the Government will pay them for the first Rs. 5,000 of net income, 15 times the net income, for the next Rs. 5,000, 12 times and for the balance 10 times.

In case of dry land ('D' class) or if the landlord is a small holder, minor, widow, woman who has never married, physically or mentally handicapped person or a soldier or a seaman, the amount payable is twenty times the net annual income. The aggregate amount payable to the landlord is restricted to an overall limit of Rs. 2 lakhs. Persons having an annual income of Rs. 12,000 or more from sources other than agriculture are not allowed to acquire land.

Educational, religious or charitable institution or society or trust of a public nature capable of holding property, formed for such purpose, is permitted to hold land upto 20 units, even if the land held is cultivated by hired labour or by servants under the personal supervision of an employee or agent of such institution or a society or trust, but subject to the rider that the income from the land is appropriated for the institution or the society or the trust concerned. A soldier or a seaman, who is a landlord, continues to have the right of resumption upto ceiling area provided he had created the lease while he was serving as a soldier or seaman or not earlier than three months prior to his becoming a soldier or seaman. If a soldier or a seaman fails to issue notice to the tenant to deliver possession of land within the specified time, the Tahsildar by issue of notification can order the vesting of the land in Government free from all encumbrances.

Sale of Land : While landlord is prohibited from transferring by sale, gift or exchange the resumed land within fifteen years of resumption, he can mortgage the land in favour of Government, scheduled bank, etc., for raising loan for improving the land. Failure to cultivate personally within one year of taking possession of the land or ceasing to cultivate personally within three years, makes the landlord lose the land in favour of Government and the land reverts back to the tenant entitled. Sale of a site on which dwelling house is built is to be in favour of tenant and the price shall not exceed ten times the land revenue.

A person or a family is prohibited from holding land in excess of the ceiling area (family includes the individual, his or her spouse, minor sons and unmarried daughters). Families having

more than five members are permitted to hold additional land at two units (unit meaning one acre of 'A' class land, soil classification of which is 50 paise or above or its equivalent as specified in Schedule I to the Act) for each additional member in excess of five, subject to a maximum of twenty units. Sugar factories can hold land for research or seed-farm upto a limit of 50 units. Educational, religious or charitable institutions or trust of a public nature capable of holding property are permitted to hold upto twenty units if the income from the land is appropriated for the institution, society or trust. Plantation lands are exempted from ceiling but the agricultural lands interspersed in the plantations do not get blanket exemption but they are subject to scrutiny by the prescribed authority. If a person has transferred his land after 24th January 1971 and by such transfer, he had reduced his holding to less than the ceiling, the transferred land shall be taken into account for computing the surplus land to be surrendered by him and the lands deemed to be surplus shall be surrendered out of the lands retained by him. Change of class of land due to Government irrigated works constructed later will result in a fresh application of the ceiling provisions. It is made incumbent on every person holding 10 acres or more of 'A' or 'B' class of land, 20 acres or more of 'C' class of land or 40 acres or more 'D' class of land to file a declaration of his holding within 31st December 1974 before the Tahsildar.

Companies, associations, bodies of individuals not being a joint family, co-operative societies are prohibited from holding land, but co-operative societies, scheduled banks, finance corporations and the Coffee Board are permitted to take mortgages of land as security for loans granted for agricultural purposes.

Payment of Annuity.—Religious, charitable or other institutions capable of holding property shall be paid for their lands vesting in Government annuity in perpetuity equal to the net annual income of such institutions. The annuity bonds shall be non-redeemable and non-negotiable.

Except the provisions of the Act pertaining to rent, others shall not apply to land belonging to Government; held on lease from Government for a period of not exceeding 20 years; held on lease from a local authority, agricultural produce marketing committee, University or Karnataka Bhoodan Yagna Board; used for stud farms in existence on 24th January 1971 and approved by Government; used for cultivation of linaloe and used for research, propaganda or development by the Coffee Board. Rent shall be ten times the aggregate of land revenue and water rate, if any.

The water rates to be taken for the purpose are.—'A' class land Rs. 16.50 per acre, 'B' class land Rs. 11.00 per acre, 'C' class

land Rs. 5.50 per acre. Contract rent if it is less will prevail. In the *malnad* area for dry lands exclusively used for grazing and removing leaves, the rent will be two times the land revenue. Liability to pay land revenue, water rate and cesses is on the tenant.

Land Tribunals.—Land Tribunals have been formed in all the taluks of the district under Section 48 of the Karnataka Land Reforms (Amendment) Act, 1973; The Assistant Commissioner of the revenue sub-division having jurisdiction over the taluk or an Assistant Commissioner specially appointed for the purpose by the State Government is its Chairman and the Tahsildar of the taluk or the Special Tahsildar for Land Reforms its Secretary. It has four other members nominated by the Government, of whom at least one shall be a member of the State Legislature and one shall be a person belonging to the Scheduled Castes or Tribes where the member of the State Legislature nominated does not belong to the Scheduled Castes or Scheduled Tribes. The duties of the Tribunal are to make necessary verification or hold an enquiry and pass orders in cases relating to registration of a tenant as occupant, to grant occupancy rights to eligible tenants, to decide whether a person is a tenant or not, to grant surplus land to the weaker sections among the categories of landless labourers, displaced tenants, etc., and to perform such other duties and functions as are imposed on the Tribunal. Every person entitled to be registered as an occupant had to make an application to the Tribunal before 31st December 1974. The Tribunal can also entertain such applications after 31st December 1974 and upto 31st December 1975 if they are satisfied about the reasons of delay. The Tribunal makes a notification and issues notices to individuals concerned and calls upon the land-lords and all other persons concerned to appear before it. If no objection is filed, the Tribunal may grant or reject the application after verification. If any objection is raised, it determines the person to whom land is to be granted after enquiry. The order of the Tribunal is final in all cases decided by it. The Tahsildar of the taluk is empowered to determine the surplus land as well as the amount payable to the land-lords and land-holders.

In order to remedy the excessive fragmentation of lands which has taken place on account of the law of succession or economic necessities of the parties, a uniform measure to consolidate the holdings and prevent further fragmentation of lands called the Karnataka Prevention of Fragmentation and Consolidation of Holdings Act, 1964, was adopted. According to this Act, a holding of lesser extent than the appropriate standard area determined under Section (3) of the Act, which is not profitable for cultivation, is considered a fragment. The unit of standard minimum area varies from half an acre to four acres according to the classi-

**Consolidation of
holdings**

fication of lands. Any unit of land, which is not profitable for cultivation, is regarded as a fragment. No person can dispose of such a fragment to any one other than the contiguous holder. According to the provisions of the Act, no fragment shall be divided or partitioned. In addition, the Act also provides for the consolidation of holdings in respect of the existing fragments. In the scheme of consolidation, there is provision for compensation to the owner. Every person to whom a holding is allotted according to the consolidation scheme, gets a certificate of transfer without any stamp duty or registration fee (*see* Chapter IV for particulars of land-holdings in the district).

Grant of lands

The Karnataka Land Grant Rules came into force in 1969. In pursuance of Rule 24 of those Rules, Consultative Committees, consisting of officials and non-officials, were constituted in all the taluks of the district during May 1970. These Taluk Consultative Committees were abolished in 1971. Thereafter, a special staff was appointed for expeditious disposal of lands. In 1972, the Government constituted again the Consultative Committees after amending the Karnataka Land Grant Rules, 1969. These committees have to be consulted in respect of all applications for grant of land for agricultural purposes. The lands are granted as per reservations—ex-servicemen and soldiers 10 per cent, persons belonging to the Scheduled Castes and Scheduled Tribes 50 per cent, political sufferers 10 per cent and others 30 per cent. The conditions of grant are that the grantee shall not alienate the land for a period of 15 years and the land granted shall be brought under personal cultivation within three years from the date of taking possession. The following table gives the area available for grant and the area granted upto the end of December 1973 :—

<i>Area in acres</i>			
<i>Sl. No.</i>	<i>Taluk</i>	<i>Area available</i>	<i>Area granted</i>
1	Bhadravati	4,761-33	3,686-24
2	Channagiri	6,633-00	1,630-22
3	Honnali	2,013-03	2,137-35
4	Hosanagar	6,099-20	3,157-26
5	Sagar	31,954-35	1,873-00
6	Shikaripur	8,922-17	1,131-00
7	Shimoga	5,232-25	3,274-21
8	Sorab	7,085-23	998-20
9	Tirthahalli	5,104-01	245-32
Total		77,807-01	18,135-00

The category-wise break-up of 18,135 acres granted was : Scheduled Castes 6,013-05 acres, political sufferers 197-15, ex-servicemen 875-34 acres and others 11,046 acres.

There were 75 *Inam* villages in this district, before the recent abolition of *Inam* lands in the State. An *Inam* land was a grant given by Government as a reward for services rendered or in consideration of services to be performed or for religious or charitable purposes. It would be of interest to sketch a few facts about the *Inams* as they are of historical interest. After 1799, the British authorities advised Dewan Purnaiya not to alienate lands without the approval of the British Resident. Owing to this measure, the grant of fresh *Inams* between 1799 and 1811 was limited though not completely stopped. From 1811 to 1831, Maharaja Krishnaraja Wodeyar III alienated some lands besides conferring *kayamgutta* (permanent tenure) on others. During the British administration (1831 to 1881), the number of such grants made were very small in number. In 1863, when a revenue survey was begun in the State, some skeleton *Inam* Rules were framed. The *Inams* in existence were *Devadaya*, *Dharmadaya*, *Kodagi*, *personal*, and *Inams* for miscellaneous services.

**Inams and
their abolition**

In 1918, an *Inam* Enquiry Commission of seven members was appointed and after considering its recommendations, the Government passed orders amending the Mysore Land Revenue Code, under which the rights of *kadim* (permanent) tenants were protected, even when the principal's rights were forfeited. In all *Inam* villages, an attempt was made to secure for the tenants rights similar to those of registered occupants under Government. The *Inam* villages were also brought under the village improvement schemes. In spite of these measures, the relationship between the *Inamdars* and their tenants did not much improve. In 1932, the Government appointed another *Inam* Enquiry Commission. The important recommendations of this Commission were that survey and settlement operations might be introduced in all the *Inam* villages without waiting for the *Inamdars'* consent, the scope for taking over *Inam* villages under Government management might be enlarged and the rules for granting remissions owing to failure of rains may be extended to these villages. To give effect to these and other accepted recommendations of the Commission, the Land Revenue Code was amended in 1939 and 1940. The Alienated Villages Purchase Act, 1944, enabling the Government to purchase the alienated villages at the request of the holders at a price agreed to by the latter, was also passed. But these steps did not much help the tenants and another enquiry committee was appointed in 1948 to enquire into all such questions. Based on the recommendations of this committee, the Mysore (Personal and Miscellaneous) *Inams* Abolition Act, 1954, and the Mysore Religious and Charitable *Inams* Abolition Act, 1955, were passed. The work of resumption of the *Inam* lands by the Government and payment of compensation to the *Inamdars* was taken up thereafter.

**Agrarian
movement**

From a considerable time past, the farmers of the area have been known for the awareness and assertion of their rights. From 1830 to 1833, there were grave disturbances which have been dealt with in detail in Chapter II. One of the important reasons attributed to that insurgency was the serious discontent of the cultivators about the faulty system of farming out the land revenue collection of tracts to the highest bidders.

In recent decades, there were several agitations by the raiyats of the district in an organised manner. In 1930-31, there was some loss of the paddy crop owing to failure of rains in parts of the district. On the ground that sufficient remissions of land revenue were not made, there was a dissatisfaction and a withholding of land-tax. In 1941-42, there was an agitation aimed at protecting the interests of the farmers whose lands were submerged in the Hire-Bhaskar Reservoir of the Mahatma Gandhi Hydroelectric Project. When the Maharaja visited the district, a memorandum was submitted to him setting forth their demands about relief and rehabilitation. Later about 1964, there were similar demands in respect of the lands that were to be submerged in the Linganamakki Reservoir. Earlier during 1943-44, the areca crop failed to some extent in Hosanagar, Sagar and Tirthahalli taluks of the district. It was urged that the land-owners must accept only half the rent. Many of the land-holders acceded to this demand.

In 1951, there was "Kagodu Satyagraha" started against the landlord of Kagodu in Sagar taluk by the tenants of that place. It extended also to some other tracts of the district against the landlords of those places. Women also participated in this movement. In 1968, there was an agitation against some provisions of the Tenancy Act, land revenue, collection of levy, etc. In 1969, attempts were made to enter the State forests in Sorab, Shikaripur, Hosanagar and Tirthahalli taluks to cut the trees and to occupy the lands. In 1970 and 1972, there was what was called a "land grab" stir in Shikaripur, Sorab, Hosanagar and Sagar taluks, the object of which was to take over the available Government lands for cultivation unauthorisedly.

Bhoodan

The Bhoodan movement, which was inaugurated in about 1951, aims at obtaining lands as a gift from the land-lords and distributing them among the landless. This movement has been assisted by organisations like the Gandhi Smaraka Nidhi and by a number of Sarvodaya workers. *Padayatras* (walking tours for the purpose) were undertaken and several gifts were obtained from the land-lords. After the reorganisation of States, the movement was taken up by the Sarvodaya Mandal. Acharya Vinobha Bhave did *padayatra* in this State in 1957-58. He visited several villages in Shimoga district. A group of Bhoodan workers headed by Shri Yennekoppada Mallikarjunappa Gowda, who hails from

this district, did *padayatra* in this and various other districts of Karnataka for propagating the ideals of Bhoodan and Gramadan.

In order to remedy certain anomalies in regularising the donations and distribution of lands among the landless persons, the Karnataka Bhoodan Yagna Act, 1963, was enacted in the State. The Government of Karnataka constituted the Karnataka Bhoodan Yagna Board which started functioning in June 1966. The following are the particulars of the land donations as in 1974 in the taluks of the district, as furnished by the Chief Executive Officer, Bhoodan Yagna Board, Bangalore :—

(Area in acres and guntas)

Taluk	No. of donation	Extent donated						Total	
		Garden		Wet		Dry		A	G
		A	G	A	G	A	G		
Bhadravati	10	..	..	6	00	28	07	34	07
Channagiri	16	0	30	1	16	23	00	25	06
Honnali	117	..	..	4	05	268	36	273	01
Hosanagar	38	3	26	109	38	69	04	182	28
Sagar	91	0	23	83	34	119	03	203	20
Shikaripur	144	0	12	139	12	308	23	448	17
Shimoga	84	..	..	26	26	171	35	198	21
Sorab	150	..	..	253	04	321	10	574	14
Tirthahalli	130	5	36	191	10	60	33	257	39
Total	780	11	07	815	35	1,370	35	2197	33

Out of 80 donations covering an extent of 2,197 acres and 33 guntas of land, only 316 donations covering an area of 1,176 acres and 10 guntas contain details of survey numbers. Out of these, 194 donations of an area of 747 acres and 26 guntas have been confirmed and an extent of 387-21 acres have been distributed, the details of which are as follows :—

(Area in acres and guntas)

Taluk	No. of danapatras* confirmed with extent	Extent of lands distributed	
		A	G
Bhadravati	2	8	38
Channagiri	3	4	06
Honnali	70	143	00
Hosanagar	2	2	16
Sagar	9	85	22
Shikaripur	9	61	12
Shimoga	6	18	39
Sorab	74	392	03
Tirthahalli	19	31	10
Total	..	194	747-26

*gift-deeds

Several changes have taken place since the donations were made. It is stated that many of the donors are now dead and their heirs are not now willing to effect the donations. In some other cases, the lands have been alienated and are in possession of persons other than donors. Efforts are being made by the Board to regularise the gifts and to distribute the donated lands among the landless persons.

TAXES OTHER THAN LAND REVENUE

STATE TAXES

State excise

The State exchequer derives a large amount of revenue from the State excise which is mainly in the form of rentals from arrack and toddy shops, wine taverns, duty and price on arrack, duty on Indian-made liquor, beer and spirituous medicinal preparations, tree-tax, tree-rent, other fees, etc. There were 363 arrack shops, 225 toddy shops and three beer taverns in 1974-75 in the district. The taluk-wise particulars of arrack shops and toddy shops in 1974-75 were as given below :—

Taluk	No. of arrack shops in	No. of toddy shops in
	1974-75	1974-75
Bhadravati	70	31
Channagiri	49	30
Honnali	49	22
Hosanagar	28	15
Sagar	32	17
Shikaripur	40	17
Shimoga	62	37
Sorab	44	21
Tirthahalli	51	35
Total for the district	363	225

The following table gives the amounts of revenue derived from the State excise in the district for the years 1971-72, 1973-74 and 1974-75 :—

Sl. No.	Items	(Amount in rupees)		
		1971-72	1973-74	1974-75
1	Arrack shop rentals	59,78,500	88,21,200	94,86,600
2	Toddy shop rentals	15,49,200	36,25,200	39,57,200
3	Beer shop rentals	2,400	5,800	20,930
4	Wine tavern	..	1,470	4,020
5	Price and duty on arrack	28,79,860	48,85,096	75,66,065
6	Duty on Indian-made liquor	5,70,760	67,047	1,99,166
7	Duty on beer	1,19,620	..	1,87,420
8	Duty on spirituous medicinal preparations	600	31	1,726

Sl. No.	Items	1971-72	1973-74	1974-75
9	Tree-tax and tree-rent	8,880	1,6584	34,380
10	Foreign liquor licence and litre fee	3,99,590	..	2,80,000
11	Denatured spirit and Rectified spirit licence litre fee	3,360	3,025	10,827
12	Fines and miscellaneous items	8,610	14,222	22,237
	Total	1,15,20,840	1,80,86,486	2,17,70,571

The work of registration of documens and collection of registration fees is administered by the Deputy Commissioner of the district, who is also the *ex-officio* District Registrar and is responsible to the Inspector-General of Registration and Commissioner of Stamps, Bangalore, for the purpose. There are nine Sub-Registry Offices, one each in the taluk headquarters in the district. The statement given below shows particulars relating to registration in the district during some recent years :—

Registration

(Amount in rupees)

Year	No. of registrations of property	Value of properties transferred	Total receipts	Total expenditure
1961-62	16,623	1,60,93,140	1,07,762	44,684
1962-63	16,693	1,77,36,085	1,27,763	51,434
1963-64	16,859	1,85,89,592	1,71,418	56,632
1964-65	17,321	1,77,93,449	1,90,384	5,73,361
1965-66	18,613	9,48,16,838	2,31,702	70,484
1966-67	20,111	4,81,94,872	2,62,268	76,327
1967-68	19,877	2,38,44,335	3,11,324	87,076
1968-69	18,560	2,28,94,788	3,06,259	90,955
1969-70	17,704	2,70,60,489	3,21,187	1,02,706
1970-71	—	2,69,90,344	3,39,774	1,28,868
1971-72	—	2,96,65,055	3,65,697	1,22,136
1972-73	—	3,77,41,162	5,69,962	1,66,018
1973-74	—	3,82,55,788	5,03,485	1,63,059

The Indian Stamp Act, 1955, was made applicable to the entire State of Karnataka in 1956 and the Inspector-General of Registration and Commissioner of Stamps was made the appellate authority under the Act. A uniform Karnataka Stamp Act and Rules made thereunder were brought into force in 1965. The following statement shows the amount of revenue collected under

Sale of Stamps

stamps in the district during the years from 1970-71 to 1973-74 :—

Sl. No.	Particulars	Amount in Rupees			
		1970-71	1971-72	1972-73	1973-74
1	General stamps	21,14,159	23,30,778	26,52,130	18,03,034
2	Court fee stamps	4,78,654	6,17,198	8,15,902	6,87,223
3	Revenue stamps	1,56,219	1,68,173	1,68,524	2,08,048
4	Indian revenue stamps	..	52,607	1,46,321	48
5	Documents copying fee	24,990	26,845	27,572	12,798
6	Hundi stamps	460	970	153	730
7	Share transfer stamps	40	191	136	50
8	Indian insurance stamps	2,846	2,850	1,800	500
9	Special adhesive stamps	23,689	26,728	39,119	81,691

Sales-Tax

The Mysore Sales-Tax Act, 1948, was first introduced in the district in 1948. It was repealed by the Karnataka Sales Tax Act, 1957, which came into force from 1st October 1957. This tax has been considered a very important and elastic source of revenue. It is a levy imposed on the sales or on the elements incidental to sales, on the first stage of transaction in some cases and on all stages of transactions in other cases. All goods, which are liable to be taxed at single stage of transaction or in all stages of transactions, and those goods, which are exempted from taxation, are listed in the Act. Every dealer, whose total turnover is not less than the minimum limit prescribed and every dealer, who is registered under the Central Sales-Tax Act, 1956, casual traders dealing in goods mentioned in the Act, agents of non-resident dealers and non-resident millers and commission agents, irrespective of the quantum of turnover, have to get themselves registered under the Act. The minimum turnover for registration was Rs. 10,000 from 1948 to 30th September 1957, Rs. 7,500 from 1st October 1957 to 31st March 1966 and it has been Rs. 10,000 from 1st April 1966. The registration fee prescribed was Rs. 6 per annum from 1st September 1948 to 31st March 1970 and it has been Rs. 25 from 1st April 1970.

The minimum turnover for levy of tax was Rs. 10,000 till 30th September 1957, Rs. 7,500 from 1st October 1957 to 31st March 1966 and Rs. 10,000 from 1st April 1966 to 31st March 1970, and it has been Rs. 25,000 from 1st April 1970. But this limit is not applicable to (a) a dealer registered under the Central Sales-Tax Act. He is liable to pay tax on the sale of goods purchased in the course of inter-state trade or commerce in respect of concessional rate of tax under section 8(1) (b) of the Central Sales Tax Act has been levied, (b) a casual trader dealing in goods specified in III and IV schedules, and (c) non-resident dealer including his agent or manager. Petty dealers and also hoteliers, who are not registered under Section 10(2) of the Karnataka Sales-Tax Act and also not liable to tax under Section 5(3) (a) of the Act, are given the option to pay a lumpsum

amount. The rates of such lumpsum amount payable are as follows :—

Turnover range		Amount per annum	
Rs.		Rs.	
25,000 to 35,000	..	600	
35,000 to 45,000	..	900	
45,000 to 55,000	..	1,200	
55,000 to 65,000	..	1,500	
65,000 to 75,000	..	1,800	

In order to plug the evasion of the tax, Section 6 was introduced by an amendment to the Karnataka Sales-Tax Act, 1957, by Act No. 9 of 1970 which came into force from 1st April 1970. Additional tax at the rate of two paise in a rupee on the sales-tax or purchase-tax or both was introduced with effect from 1st December 1971 and was in force upto 31st March 1974. A new section was introduced from 1st April 1975 according to which every dealer, whose turnover is more than Rs. 10,00,000, is liable to pay an additional tax at the rate of 10 per cent of the sales-tax or purchase-tax or both, but this provision is not applicable to the dealers exclusively dealing in areca with effect from 23rd May, 1975. The Central Sales-Tax Act, 1956, came into force in the district in October 1956. It is a levy on sales of goods which take place in the course of inter-State trade and commerce. The number of assesseees and the amounts of revenue collected under the Karnataka Sales-Tax Act, 1956, for the years from 1963-64 to 1974-75 are given below :—

Year	No. of assesseees		Tax collected (in Rs.)		Fines (in Rs.)	
	K.S.T.*	C.S.T.*	K.S.T.	C.S.T.	K.S.T.	C.S.T.
1963-64	2,812	478	75,64,675	8,34,569	14,368	2,576
1964-65	3,114	492	78,75,756	9,25,876	16,937	3,214
1965-66	3,258	499	81,86,884	11,14,156	19,420	4,657
1966-67	3,385	503	85,62,681	12,22,505	21,614	5,056
1967-68	3,558	505	96,74,146	15,98,625	1,05,082	4,518
1968-69	3,576	520	99,74,146	18,93,825	1,26,756	3,218
1969-70	3,588	565	1,07,33,818	24,36,735	2,50,094	3,334
1970-71	3,612	635	1,08,93,966	34,43,039	2,33,916	1,348
1971-72	3,581	724	1,02,09,052	62,92,399	2,71,504	2,644
1972-73	3,714	777	1,04,58,973	66,74,835	3,15,874	3,534
1973-74	3,660	853	1,06,19,756	68,24,098	3,22,967	3,824
1974-75	3,712	978	1,24,25,768	66,68,985	3,54,438	4,526

*K.S.T. — The Karnataka Sales-Tax C.S.T. — The Central Sales-Tax

The Mysore Motor Spirit (Taxation on Sales) Act, 1949, was in force from 1949 to 30th of September 1957 and this Act was repealed by the Karnataka Sales of Motor Spirit Taxation Act, 1957, with effect from 1st October 1957. This Act was repealed with effect from 1st April 1970 and motor spirit and petrol were

brought to the Second Schedule of the Karnataka Sales-Tax Act, 1957. The number of registered dealers in the district in this respect was from 22 to 28 during the period from 1963-64 to 1969-70. Since none of the dealers effected purchase from outside the State, there was no liability to pay the tax under this Act.

**Entertainment
Tax**

The Mysore Cinematograph Show Tax Act, 1955, was in force in the district till the Karnataka Entertainment Tax Act, 1958, was enacted. The work of administration of the Act rested with the Police Department till 31st December 1958 and then it was transferred to the Commercial Taxes Department. There are three types of levy under this Act as follows :—

(1) *Entertainment Tax*.—The levy ranges from 20 per cent to 35 per cent on the value of admission to the entertainment. Ninety per cent of the collection in this respect goes to the local bodies of the respective area and the balance is being retained by the State Government. The payment of tax was by way of affixing stamps upto 15th May 1966 and since then, the tax is being collected in cash.

(2) *Surcharge*.—Levy of surcharge was introduced from 16th May 1966 by Act No. 14 of 1966. The rate of surcharge was fifty per cent of the Entertainment Tax upto 30th November 1971 and it was raised to 60 per cent from 1st December 1971 to 31st March 1974 and then it was enhanced to 100 per cent. The entire proceeds is being credited to the Consolidated Fund of the State.

(3) *Show-Tax*.—In the case of cinematographs shows, a show-tax at the rates prescribed in Section 4 of the Act is payable in addition to the Entertainment tax.

Exemptions in respect of the levy of the tax could be made by the Government and the Commercial Tax Officers till an amendment was effected by Act No. 14 of 1966 by which only the Government was empowered to grant exemptions. The amounts of revenue realised in the district for the years from 1965-66 to 1974-75 are given hereunder :—

(Amount in rupees)

Year	Entertainment-Tax	Surcharge	Show-Tax	Miscellaneous
1965-66	4,65,804	1,23,950	36,034	1,180
1966-67	5,19,672	2,48,429	80,516	1,490
1967-68	5,67,732	2,88,042	91,941	2,450
1968-69	15,22,070	3,15,922	88,623	2,922
1969-70	7,41,685	3,74,649	1,04,338	4,076
1970-71	8,04,831	4,14,750	97,370	3,695
1971-72	9,22,307	5,07,633	1,01,445	949
1972-73	10,94,680	6,78,753	1,04,837	2,351
1973-74	11,99,539	7,35,962	1,05,143	2,122
1974-75	14,45,624	14,30,119	2,07,987	6,712

Under the Karnataka Taxation of Motor Vehicles Act, vehicles plying in the district and in contiguous districts have to be registered with the Senior Regional Transport Officer, Shimoga. According to the figures furnished by him, the revenue realised under various items for the year 1972-73 was as follows :—

	Rs.
(1) Tax on the capacity of the passenger vehicles	40,42,398.22
(2) Tax on passenger goods	15,45,940.53
(3) Driving licence	43,145.50
(4) Registration	34,861.50
(5) Fitness certificates	64,148.00
(6) Permits	75,717.60
(7) Other receipts	72,694.55

The agricultural income-tax was first levied in the district in 1955, as per the Mysore Agricultural Income-Tax Act, 1955, which was replaced by the Karnataka Agricultural Income-Tax Act, 1957, which was amended twice in 1962, once in 1963 and again in 1964. In the beginning, the enforcement of the Act was entrusted to the revenue authorities and it was later transferred to the Commercial Taxes Department. The Act envisages the levy of a tax on agricultural incomes derived from growing of commercial and plantation crops. The commercial crops taxed are areca, chillies, coconut, coriander, garlic, ginger, grapes, groundnut, mango, mulberry, onion, plantain, potato, sesamum, sugarcane, tobacco and turmeric and the plantation crops on which the tax is levied are cardamom, coffee, linaloe, orange, pepper, rubber and tea. In order to have equality in the levy of the tax, lands are classified into eight different categories. The Act also provides for the levy of the tax on a total agricultural income exceeding Rs. 3,500 per annum. It has also laid down that no tax is payable by a person who derives agricultural income from lands of not more than 50 acres of the VIII class of lands or an extent equivalent thereto consisting of any one or more of the class of land.

The rates of tax, which are according to a slab system, vary from three per cent to 40 per cent. A super-tax is also levied on the income slabs ranging from Rs. 25,000 to Rs. one lakh, at nine per cent to fifteen per cent. The percentage of taxation goes upto 20 in cases of income on the balance of the total agricultural income. The yearwise number of assesseees and the total collections made in the district from the year 1964-65 to 1973-74 were as given below :—

<i>Year</i>	<i>No. of assessees</i>	<i>Collection in Rs.</i>
1964-65	285	2,55,106-58
1965-66	315	1,73,145-12
1966-67	390	1,66,116-58
1967-68	425	2,10,344-43
1968-69	623	2,98,922-35
1969-70	752	2,47,365-47
1970-71	795	2,30,400-62
1971-72	805	2,31,420-17
1972-73	858	5,89,951-49
1973-74	987	1,52,559-47

CENTRAL TAXES

Central excise

The Central excise duty is collected under the Central Excise and Salt Act and Rules, 1944. The rates of duty on various items are levied according to Schedule I of the Act. There are three range offices in the district, one at Shimoga comprising all the taluks except Bhadravati and Channagiri, and two at Bhadravati, of which one range is entirely meant for iron and steel, cement and oxygen gases and the other for Bhadravati taluk. The Channagiri taluk is attached to the Chitradurga range. The commodities that are liable for taxation under the Act are tobacco, coffee, sugar, plywood, sodium silicate, synthetic organic dyestuff, prepared and preserved food, copper and copper alloys, motor vehicles, trailers, confectionery, bolts, nuts and screws, steel furniture, iron and steel, cement and paper. But of these commodities, the following are exempted from tax to the extent during a financial year as noted against each :—

1. Prepared and preserved food upto a value of rupees one lakh.
2. Steel furniture upto a value of rupees one lakh.
3. Bolts, nuts and screws upto a value of rupees five lakhs.
4. Confectionery upto 20 tonnes.
5. Newspapers and periodicals 15,000 copies per publishing day.

The following table gives the revenue realised under different commodities during the years 1962-63 and from 1967-68 to 1973-74 :—

(Amount in rupees)

Year	Tobacco	Paper	Cement	Iron and steel products	Caustic soda, sugar and other items*
1962-63	42,645	19,94,926	20,01,711	39,45,594	22,994
1967-68	1,95,755	39,78,232	24,75,343	1,14,33,707	1,13,458
1968-69	2,02,253	42,34,175	20,00,046	1,14,97,305	23,13,703
1969-70	1,79,033	44,14,139	23,91,541	1,33,46,775	57,06,398
1970-71	1,34,448	47,56,785	26,66,835	87,73,702	84,05,798
1971-72	1,09,292	47,21,480	30,92,134	1,71,21,357	1,41,48,033
1972-73	90,766	44,52,763	34,76,156	2,93,90,003	1,41,48,033
1973-74	N.A.	53,23,094	35,68,248	1,66,11,525	4,55,368

*Other items include matches, plywood, wireless receiving sets, oxygen, copper and copper alloys, sodium silicate and synthetic organic dyestuffs.

There is an Estate Duty-cum-Income-Tax Circle for the districts of Shimoga, Chikmagalur, Coorg, Hassan and South Kanara with its headquarters at Mangalore. No estate duty is collected on the total income of Rs. 50,000 and below. The levy ranges from four to 85 per cent on the total income from Rs. 50,000 and above at various levels. There were 380 assesseees for the circle as a whole in 1972-73, and the amount of duty collected was Rs. 14.36 lakhs (separate figures for the individual districts are not available). In cases of default, attachment of moveable and immovable properties is resorted to. The appellate authority for the entire State of Karnataka is the Appellate Controller of Estate Duty, Bangalore.

There are two Income-Tax Officers in the district for the collection of income-tax. One of them is designated as I Income-Tax Officer who has jurisdiction over the whole of Shimoga taluk as also the neighbouring districts of Chitradurga and Bellary. The other officer is II Income-Tax Officer having jurisdiction over the other taluks of the district. The number of assesseees coming under the various income-slabs for the years from 1968-69 to 1972-73 was as given below :—

<i>Income-slabs in Rs.</i>	<i>Number of assesseees in the year</i>				
	1968-69	1969-70	1970-71	1971-72	1972-73
5,009 to 10,000	2,152	1,202	1,395	1,228	1,338
10,000 to 15,000	1,08	1,882	1,583	1,463	1,622
15,000 to 20,000	240	410	605	580	640
20,000 to 25,000	85	90	110	130	190
25,000 to 30,000	60	110	160	200	210
30,000 to 40,000	75	100	120	95	110
40,000 to 60,000	90	95	105	115	106
60,000 to 80,000	4	10	8	6	20
80,000 to 1,00,000	2	4	7	9	14
1,00,000 to 2,00,000	9	16	12	15	18
2,00,000 and above	3	1	5	4	2
Total	3,800	3,920	4,110	3,845	4,270

From 1970-71 to 1972-73, the modified rates of income-tax charged were as shown below :—

<i>Slab</i>	<i>Percentage</i>	<i>Slab</i>	<i>Percentage</i>
5,000 to 10,000	10 per cent	40,000 to 60,000	60
10,000 to 15,000	17 do	60,000 to 80,000	70
15,000 to 20,000	23 do	80,000 to 1,00,000	75
20,000 to 25,000	30 do	1,00,000 to 2,00,000	80
25,000 to 30,000	40 do	2,00,000 and above	85
30,000 to 40,000	50 do		

The sub-joined statement gives the amounts of collection of income-tax and the number of assesseees (category-wise) in the district for the years from 1968-69 to 1972-73 :—

(Amount in Rs. '000s)

<i>Year</i>	<i>Number of assesseees</i>			<i>Amount collected</i>
	<i>Business cases</i>	<i>Salary cases</i>	<i>Total</i>	
1968-69	2,950	850	3,800	4,412
1969-70	3,020	900	3,920	2,541
1970-71	3,060	1,050	4,110	3,986
1971-72	2,845	1,000	3,845	14,700
1972-73	3070	1,200	4,270	11,091

The number of assessees for gift-tax and wealth-tax and the amounts collected in the district during the years from 1968-69 to 1972-73 were as given below:—

Year	Gift-tax		Wealthtax	
	No. of assessees	Amount collected (Rs. in thousands)	No. of assessees	Amount collected (Rs. in thousands)
1968-69	7	10	73	66
1969-70	2	4	102	95
1970-71	3	5	86	67
1971-72	9	16	227	361
1972-73	20	27	309	425

Some years back, the work of recovery of tax from defaulters had been entrusted to the revenue authorities of the State Government. Now, the recovery of arrears, after a year of the demand made, is entrusted to the Tax-Recovery Officers of the Income-Tax Department. In the case of this district, the Tax Recovery Officer, Hubli, collects the arrears. The super-tax was abolished in 1965.