

# Land Revenue Policies in Colonial India

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## ABSTRACT

The British colonial authority in India implemented a number of different land revenue policies, which had a considerable impact on the economy, society, and politics of the country. One of the most important policies that was put into effect was the Permanent Settlement, followed by the Ryotwari System and the Mahalwari System. The implementation of these policies resulted in an increase in the collection of land income; but, they also led to widespread poverty, debt, and dissatisfaction among Indian peasants. Additionally, the policies were a contributing factor in the downfall of traditional Indian industries as well as the development of a new class of individual landowners. This research investigates the effects that these policies had on Indian society and the economy, drawing attention to the intricacies and difficulties that were associated with colonial control. Permanent Settlement, the Ryotwari System, and the Mahalwari System were the three land revenue systems that were in place during the colonial period. These policies directly contributed to a significant rise in the levels of poverty, debt, and dissatisfaction that plagued the population. While the colonial period was in effect, the policies that were put into place were intended to encourage the collection of revenue and to reduce the number of traditional companies. These policies, which also brought about adjustments in the social structure, produced a new landowning class that arose as a result of their implementation.

**Keywords:** Colonial Period; Zamindari System; Ryotwari System; Mahalwari System

## INTRODUCTION

In the core of the utilitarian theory of political economics that Ricardo constructed, a scientific foundation for the land revenue system was professed to be the foundation. One of the most important contributors to the establishment of the new land taxation system was James Mill. Between the years 1819 and 1830, he was directly responsible for formulating the revenue dispatches to India for the purpose of following the liberal land revenue assessment. As much as the superstructure of judicial cods and establishment was dependent on the revenue assessment and the registration of landholdings that accompanied it, the dreams of utilitarians to construct a comparative society that was founded on individual rights in the soil were dependent on the revenue assessment. In this context, Stocks has argued, in a well-known study, that the ideological distaste for landlordism, which was born of utilitarian philosophy, was a major force behind the development of Ryotwari and Mahalwari settlements. This suggests that policy may have been responsible for the destruction of traditionally powerful landlord groups. An instance that could be considered is the "Talukdars" of northern India, who had previously exercised authority over the tax settlements of numerous villages. However, Mahalwari arrangements routinely disregarded their authority. The political experience of countries where cultivating peasants traditionally controlled the land undoubtedly contributed to the development of a utilitarian distaste for landlordism in the minds of individuals such as Munro and Wingate, who were the key players behind the Madras and Bombay systems, respectively. Without a shadow of a doubt, the popular ideals that were prevalent in Great Britain at the time also played a certain role in the selection of the pattern of settlement. The expanding intellectual impact of utilitarian philosophers such as James Mill, Bentham, Stuart Mil, and others, whose antipathy to landlordism was notably expressed, was repeated in effect by these individuals. One possible interpretation is that it was a reflection of the idealization of rustic values that were prevalent in the native nation during the early stages of European Romanticism.

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## SIGNIFICANCE OF THE STUDY

This study provides insights into the colonial legacy of land revenue policies in India, highlighting their impact on the country's economy, society, and politics. It contributes to a deeper understanding of the complexities of colonial rule and its lasting effects on Indian society. Land revenue was one of the major sources of income for Britishers in India. There were broadly three types of land revenue policies in existence during the British rule in India.

- ❖ The Zamindari System
- ❖ The Mahalwari System
- ❖ The Ryotwari System

The primary areas in which the Zamindari, Mahalwari, and Ryotwari systems diverged were the methods by which land revenue was collected and the individuals who were accountable for making payments. Zamindari was a system that placed the responsibility of collecting tax in the hands of intermediaries, known as Zamindars. Within the framework of the Mahalwari system, village headmen were responsible for collecting revenue from the entire village (Mahal). Under the Ryotwari system, individual cultivators (Ryots) were responsible for making direct payments to the state in the form of revenue.

1. **The Zamindari System:** The zamindari system was introduced by Lord Cornwallis in 1793 through Permanent Settlement that fixed the land rights of the members in perpetuity without any provision for fixed rent or occupancy right for actual cultivators. Under the Zamindari system, the land revenue was collected from the farmers by the intermediaries known as Zamindars. The share of the government in the total land revenue collected by the zamindars was kept at 10/11<sup>th</sup>, and the remainder going to zamindars. The system was most prevalent in West Bengal, Bihar, Odisha, UP, Andhra Pradesh and Madhya Pradesh.
  - i. **The Permanent Settlement Agreement:** According to the Permanent Land revenue settlement the Zamindars were recognised as the permanent owners of the land. They were given instruction to pay 89% of the annual revenue to the state and were permitted to enjoy 11% of the revenue as their share. The Zamindars were left independent in the internal affairs of their respective districts.
  - ii. **Issues with the Zamindari System:** For the Cultivators: In villages, the cultivators found the system oppressive and exploitative as the rent they paid to the zamindar was very high while his right on the land was quite insecure. The cultivators often had to take loan to pay the rents, on failing to pay the rent, they were evicted from the land. The revenue had been fixed so high that the zamindars found it difficult to pay, and those who failed to pay the revenue lost their zamindari. The zamindars were not so keen about improving the land. As long as they could give out the land and get rent, they preferred it. By the first decade of the 19<sup>th</sup> century, the cultivation slowly expanded and prices rose in the market. Although this meant an increase in the income of Zamindars, it was no gain for the company since it could not increase a revenue demand that had been settled permanently.
2. **The Ryotwari System:** In the British territories in southern India, there was a move away from the idea of Permanent Settlement. A system that came to be known as the Ryotwari System, was devised by Captain Alexander Read and Sir Thomas Munro at the end of the 18<sup>th</sup> century and introduced by the latter when he was governor of Madras Presidency (1819–26). Under the Ryotwari system, the land revenue was paid by the farmers directly to the state. In this system, the Individual cultivator called Ryot had full rights regarding sale, transfer, and leasing of the land. The ryots could not be evicted from their land as long as they paid the rent. It was prevalent in most of southern India, first introduced in Tamil Nadu. It was later extended to Maharashtra, Berar, East Punjab, Coorg and Assam. The advantages of this system were the elimination of middlemen, who often oppressed villagers.
  - i. **Issues with the Ryotwari System:** This system gave much power to subordinate revenue officials, whose activities were inadequately supervised. The system was dominated by the mahajans and moneylenders who granted loans to cultivators by mortgaging their land. The moneylenders exploited the cultivators and evicted them from their land in case of loan default.
3. **The Mahalwari System:** By the early 19<sup>th</sup> century, the Company officials were convinced that the system of revenue had to be changed again. The revenues cannot be fixed permanently at such a time when the Company needed more money to meet its expenses of administration and trade. In 1822, Englishman Holt Mackenzie devised a new system known as the Mahalwari System in the North Western Provinces of the Bengal Presidency (most of this area is now in Uttar Pradesh). Under the Mahalwari system, the land revenue was collected from the farmers by the village headmen on behalf of the whole village (and not the zamindar). The entire village was converted into one bigger unit called 'Mahal' and was treated as one unit for the payment of land revenue. The revenue under the Mahalwari system was to be revised periodically and not fixed permanently.

The system was popularised by Lord William Bentick in Agra and Awadh and was later extended to Madhya Pradesh and Punjab.

- i. **Issue with the Mahalwari System:** A major drawback of the system was that the survey was practically based on faulty assumptions which left a space for manipulations and corruption. At times, it made the Company spend more for the collection than the revenue collected. Consequently, the system was regarded as a failure.

#### 4. Some Other Systems:

- a. **Taluqdari System:** The term 'talukdar' has different meanings in different parts of India. In Oudh, taluqdar is a great landholder. But in Bengal, a taluqdar is next to zamindar in extent of land control and social status. The big zamindars themselves had created many taluqs under several denominations, such as, junglburi taluq, mazkuri taluq, shikimi taluq, and so on. These were created partly as a strategy of zamindari management and partly as a fiscal policy measure for raising zamindari funds for specific purposes. After the Permanent Settlement, new varieties of taluqs were created by zamindars. Under the pressure of the Permanent Settlement, many zamindars were creating dependent taluqs denominated as pattani taluq, noabad taluq and osat taluq.
- b. **Malguzari System:** The land tenure prevailing in the erstwhile Central Provinces was known as Malguzari system in which the Malguzar was merely a revenue farmer under the Marathas. When the Marathas came into power in this region, they farmed out the revenues of villages to persons of influence and wealth, who were called Malguzars. During the British Rule, they were given proprietary rights and were held responsible for payment of revenue. If the headman of a village was weak or was for any other reason, unable to answer for the sum the authorities expected, or if a court favourite wanted the village, the headman was replaced without hesitation by a farmer. The farmer, or manager was at first called Mukaddam (the Hindi or Marathi form of Arabic Mugaddam). Under this system, the Lambardar/Sadar Lambardar appointed from among the Malguzars, was the revenue engager. Other cultivators were either Absolute occupancy tenant, Occupancy tenant, Sub-tenant, Raiyat-Malik or lessees, who could be ejected from their holdings on various grounds. Malguzar (proprietor or co-sharer) held land under special description, namely, Sir land and Khudkasht land.

#### SIMILARITIES AMONG THE DIFFERENT SYSTEMS

Behind the apparent differences between the three communities, the Raiyatwari and Zamindari systems had several essential similarities. These parallels were the basis for the similarities. The British had favored certain kinds of right holders to the cost of others in both instances by bestowing upon them entire and undivided ownership of the land. This was done in order to benefit the majority of the right holders. On the other hand, in the Mahalwari region, the local chiefs (rajahs, Zamindars, and talukdars) were recognized as the owners because they were of ancient stock established. The majority of the time, however, it turned out that the unbroken community of farmers, who were typically represented by the village chief, was the one who traditionally had the authority over the cultivated lands in these places. In this instance, as in other places, the group of influential people who eventually became full-fledged proprietors did not consist of all of the cultivators individually. It is made up of a peasant elite that acts as middlemen between other settlement areas, employs agricultural laborers, and whose land is frequently cultivated by tenants. The Raiyat of South India consisted of dominant peasants with whom various types of subordinate right holders subsisted. The agents of the company had judged it expedient to negotiate with the Raiyat when they were present in each hamlet. As a result of the fact that the traditional organization of land rights frequently differed, to a significant degree, from one location to another, the conventional term of the Raiyatwari system in practice encompassed a configuration that was adequately dissimilar. In these systems, the spirit of the law tended towards the institution of ownership in the modern sense of the word, and with it, of a mode of agrarian relations whose logic was contractual and commercial, even if in practice, the evolution of mentalities towards this direction proved to be very slow. A common meeting ground was established, in addition to the extremely different land stratification that the system appeared to proclaim that will soon be addressed. As a result of the practice of the judicial sale of the properties of tax payers who had defaulted on their payments, on the one hand, the domains of Zamindar were divided into medium and small properties, and on the other hand, Raiyats became medium or huge owners through serial acquisitions. The colonial administration had completed the phase of becoming acquainted with the local realities and had simply adopted the models that had been developed during the process of conquering the various regional contexts. This was done with the dual purpose of ensuring that sufficient tax revenues were collected and of gaining the support of the rural elites. The position of the land in social life remained the same under these conditions when the system was in force. Enjoying a preponderant right over land in Indian society means both profiting from the revenue that this land produced and exercising power over dependents who drew from it the entirety or a portion of their subsistence as a means of subsistence. The relationship with the land was, in a sense, something that was incorporated into the social interactions. In the beginning, the introduction of ownership and a judicial conception of agrarian relation on a contractual basis only served to strengthen the local power of the already dominant individuals or groups in the villages. These individuals or groups were to become the primary beneficiaries of the colonial legislative and legal

machinery at the end of the process. In the minds, the roots of the current understanding of the relationship between owners and renters or employees were shown, but it would be only in the long run that they would make a discernible effect in mentalities.

### AREA COVERED UNDER THREE SETTLEMENTS

In the states of Bengal, Bihar, Orissa, and the Banares region of Uttar Pradesh, permanent Zamindari settlements were established. Around the year 1800, this colony was expanded to include the Northern Carnatic region (the north-eastern section of Madras) as well as the North-Western Provinces (the eastern part of Uttar Pradesh). Approximately 19 percent of the total land area of British India was encompassed by it. It was in the majority of Uttar Pradesh that the Mahalwari tenure was first implemented. The Central Provinces, the Punjab (with some modifications), and the central providences; but in Oudh, villages are placed under the authority of taluqdar, which are middlemen with whom the government deals directly. A little less than thirty percent of the territory under British control was covered by this system. Major areas of Bombay, Madras, and Sindh Province were the locations where the Ryotwari people established their communities. It is also possible to apply the concepts of this system to the states of Assam and Burma. A small number of hilly tracts of Bengal and the coastal strip of Orissa have been temporarily colonized by foreigners. Approximately fifty-one percent of the whole territory occupied by British Indians was covered by this system. About five-sixths of the entire land area of British India has been permanently settled, which includes approximately five-sixths of Bengal and Bihar, one-eighth of Assam, one-tenth of Uttar Pradesh, and one-seventh of Madras. In terms of the total revenue generated from land, the first two kinds of property account for 53 percent, whereas Ryotwari tracts contribute 47 percent. For the purpose of improving the quality of land assessment management, each of these large areas was partitioned into a number of tracts. The responsibility of overseeing the operation of the Land Revenue System has been delegated to a number of British officials and native landlords, who have been given administrative authority over the three settlements region. For instance, in the beginning, the lands of Bengal were divided up among twelve main Zamindars and a large number of other smaller Zamindars. These Zamindars not only played an important part in the process of land assessment but also in the administration of the local government. A number of tracts, including Nellore, Trichinopoly, Coimbatore, Tanjore, Arcot, and others, were subdivided when the Madras territories were established. As was the case with the Central Province, the Mahalwari settlement region was dispersed across a number of divisions, including Meerut, Agra, Rohilkhand, Allahabad, Bundelkhand, Varanasi, Gorakhpur, Lucknow, Faizabad, Kumaun, and others.

The following are some of the most essential aspects of the landlord group in the land settlement area:

- a. Under the Permanent settlement, the Zamindars were acknowledged as proprietors of the soil, with rights of free hereditary succession, sale, and mortgage; nevertheless, they were subject to the loss of their property if they failed to pay the revenue on a certain date.
- b. The settlement restricted the state's demand to a stable revenue and specific obligations or services for an indefinite period of time.
- c. The system provided that the Zamindar was responsible for protecting the rights of their tenants by providing them with pattas, which are documents that specify the acreage and rent of their particular holdings.
- d. The Zamindars were made "subject to such rules as might be enacted by the government for the purpose of securing the rights and privileges of the tenants in their respective tenures and for the purpose of protecting them against undue or oppressive treatment." There was a complete elimination of all abwabs, which are cesses that were imposed by the Zamindars in addition to the rent. On the other hand, the Zamindars were given complete control over the market tools and earnings from fisheries, trees, and waste land. The government took over the duties associated with public transportation as well as the tolls on roads and ferries.
- e. The talukdars of Bengal were elevated to the level of Zamindars and given the authority to communicate with the government directly on the payment of fixed revenue. In the states of Madras and Orissa, a significant number of minor tributary chiefs have been stripped of their authority to rule and elevated to the level of Zamindars, after which they are required to pay a predetermined amount of income. The Zamindari system was essentially the system that was responsible for the creation of private property in land. The revenue is settled for a specified amount of time under the village settlement (Mahalwari) system, which is thirty years in Uttar Pradesh and twenty years in Punjab and Central Punjab. The entire body of villagers, who were jointly and separately accountable for the income of the entire village, are included in the settlement. Signing the agreement with the government to pay the revenue on behalf of the villages is the responsibility of their leader, who is known as the Lambardar. The settlement officer of the government is in charge of supervising the assessment of the revenue that is carried out by the village council. Additionally, the village maps and records of rights are meticulously preserved and brought up to date.

## CONCLUSION

Over the course of the early years of British rule, the inhabitants of Bengal and northern India eventually received some respite from the hefty land assessment that had been imposed on them there. In the state of Bengal, the assessment was made permanent; it has not been raised with the extension of cultivation, and it presently bears a ratio of approximately 35 percent on the rental. In the northern region of India, the evaluation was not made permanent; however, in the year 1885, it was gradually decreased to little more than fifty percent, which included all "cesses." On the other hand, new "cesses" were added; calculations were performed not on the present rental, but on the potential rental, until the tax increased to almost sixty percent on the rental that was being considered. During the initial fifteen years of the permanent settlement, there was a surge of distress-driven auctions of Zamindari estates in greater Bengal. These auctions were triggered by sudden increases in effective revenue collection, a series of minor or large agrarian crises, and the "proverbial incompetence" of Zamindars in managing their estates. Remember that many of these groups were never cultivators themselves, and that they were unable to satisfy the rising demand by improving their cultivation procedures. This is something that we need to keep in mind. Following that, the distress sale went down since the rental value of and surpassed the revenue burden that had been fixed in monetary terms. During the auction auctions, huge estates were typically divided up into smaller portions. There were adventurers and outsiders among those who brought these lots, and they were just as rapacious toward the peasants as some of the Zamindars were. Peasants mockingly referred to these new people as "lotdas," which literally means "owners of lots." The frequent sale of Zamindari estates was a major contributor to the prevalent poverty. During the period of time between 1794 and 1807, land in Bengal and Bihar that generated almost 41% of the revenue was sold out through auctions. In Orissa, approximately 51% of the original Zamindars were eliminated between the years 1804 and 1818. Optimistic officials had imagined that the new system would transform the Peasants into rich enterprising farmers but this did not happen. Driven by the desire to increase the income from land, revenue officials fixed too high a revenue demand that peasants were unable to pay. Consequently, the Ryots fled the countryside and villages became deserted in many regions.

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