

## Chapter 12

### B. Problems arising out of Tribute payable to Baroda by various States and Estates of Kathiawar, Mahi-kantha, Palanpur and Rewakantha Agencies.

In his relations with the Tributaries, it was a matter of common knowledge that the Baroda Darbar was guided by the various settlements effected by Political officers of the British Government. It was a form of mediation between the Chiefs of States and estates on the one hand and Baroda Government on the other. After the transfer of control over this tributary territory the relations were regulated not strictly in conformity with the terms of the arrangements. In controlling this relation between His Highness' Government and the Chiefs and Zamindars of Gujarat and Kathiawar a 'usage' had grown up; not warranted by the intentions and spirit of the treaty engagements which prejudicially affected the interests, prestige and dignity as put by the Government of the Baroda State.

Primarily, the questions regarding the Tribute fell under five different heads. They were:

- 1) Remission of the Tribute.
- 2) Suspension of the Tribute.
- 3) Reduction in the Tribute.
- 4) Interest on the Tribute, and finally
- 5) Tribute on newly populated villages.

Out of the above five, the fifth one has been dealt with in the previous Chapter wherein two prominent illustrations of Babariawad and Punadra villages have been cited. Here therefore, we will deal with the remaining four ones.

One of these four<sup>and</sup> the most important was the question regarding remission of tribute which ~~was~~ of a recurring character and had the unsettling effect on the already fixed tribute engagements, but its chief mischief<sup>was</sup> laid in its becoming 'permanent tendency' of the tribute payers demanding remissions on trifling grounds and the Political Agents backing these demands. Long correspondence took place between the two Governments. ~~which will be dealt with later on.~~

To recapitulate the main features\* of history of Baroda in Gujarat and Kathiawar in short:

Till the beginning of the last century, His Highness' Government used to realise their tribute from the chieftains, Mehwasi Thakores and petty Zamindars of Kathiawar and Gujarat by sending into these provinces periodical expeditions called the "Mulukgiri".

It is a historical fact that the Gaekwad Government exercised the powers of suzerainty over the half of Gujarat in its own right and over the remaining half in its capacity of Revenue Farmers of the Peshwa. The Peshwa's rights were ceded by the Baroda Government to the Honourable East India Company.

As regards the rights of the Baroda State, the tribute payable to it by the Chiefs and Zamindars of Kathiawar and Mahikantha was permanently fixed by Cols. Alexander Walker and Ballantyne in 1807-8 and 1811-12 respectively. The tribute thus fixed used to be collected by the officers of the State till 1820. This practice was, however, discontinued on the British Government engaging on 3rd April 1820 to procure payment of the tribute free of expense to

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\*H.P.O. File No. 116/43.

the Baroda Government and agreeably to the terms of the settlement of the Kathiawar tribute made in 1808 and of the Mahikantha in 1812 \*. Ever since this arrangement the tribute from Kathiawar, Mahikantha, Rewakantha and Palanpur was collected and paid over to the Baroda Government by the British Political officers concerned.

### 1. Remission of Tribute.

However, in the concluding Parwanah granted by the Gaekwad Government to the tributaries of Kathiawar, confirming the above settlement, a provision existed that whenever, owing to natural causes such as 'Asmani Sultani' i.e. misfortune occasioned ~~by~~ either by God or King (i.e. a misfortune caused by a visitation from heaven a-vis-major, or occasioned by devastation caused by a ruler) a dire calamity in any year befell the country, the tributaries would be given such relief as would enable them to tide over the difficulties of the year.%. Claims were also preferred by the Chiefs and Thakores for a remission in the tribute, joint inquiries were usually made by an officer of the Political Agency and one deputed by His Highness' Government as to whether any loss in crops was really caused to the applicants, and if so, to what extent. After the receipt of their report and after hearing what His Highness' Government had to urge the claims of the tributaries were disposed of by the Government of Bombay. In 1899, however, they did not allow His Highness' Government to depute an officer on their behalf in the enquiry. The British Government held that they had the right to decide, without the reference to His Highness' Government, in what cases remission was necessary and what its amount should be.@

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\* H.P.O. Tribute and allied matter Vol. I P.VIII  
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The Baroda Government represented that the tributaries were entitled to remissions in the above mentioned circumstances but that did not mean that in all cases, remissions in tribute would be granted. But the clause was then interpreted almost invariably as if remissions were the form of relief intended. Moreover, in the Settlement of Mahikantha tribute no specific provision for granting relief existed. But owing to pressure from the British authorities His Highness the Maharaja Sayajirao II agreed in 1840\*, that in years of a dire calamity remissions might be granted "in consultation with both Government." A similar arrangement with regard to the Rewa Kantha tribute was made in the year 1825 %. No procedure was laid down in the treaty engagements for the grant of remissions. In spite of the exhaustive representation submitted in the matter by His Highness' Government, the Government of India declined to make any alternation in the procedure adopted in 1899@ . They only conveyed a formal assurance that His Highness' Government would be informed before hand of the recommendations made with the reasons therefor; so far as the occasion permitted; and that the views of His Highness' Government if presented within a reasonable limit of time would be considered before orders were passed.

Line of Arguments by Baroda Government.

The precise line of arguments followed by the Baroda Government with regard to a remission of tribute was laid down first of all by Raja Sir T. Madhav Rao the then Dewan in 1876 when the Jam of

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\* H.P.O. Tribute and allied matter Vol. I P. X  
% " " P. IX  
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Nawanagar applied for the remission of tribute. In his D.O. Note\* dated 28th March 1876 addressed to the Resident he stated:- "I am addresssing to you an official reply on the subject of the tribute of the Nawanagar State and beg here to offer a few observations which could not well find place in the official communication.

"The payments of the kind were all settled, - settled in perpetuity, upwards of 60 years ago - I confess that attempts to obtain remissions, in my humble judgement, are a tendency to unsettle the past permanent settlement.

"The payments have remained the same, while the resources out of which they were paid have very greatly increased. So, the payments are now very much less onerous than were before. Clearly, the permanent settlement, coupled with the immense advance in prices of agricultural produce, is greatly in favour of the paying States and as much against the receiving State.

"Attempts may be naturally made by the paying States even in this highly favourable circumstances (favourable to them) to get the further advantages by asking for remissions. But I doubt if such attempts should be encouraged, one precedent would inevitably lead to another, and there may always be good natured political officers in Kathiawar and other neighbouring territory willing to oblige States under their superintendence by supporting such applications. The effect cannot but be to unsettle the permanent settlement made in the early part of the century. Undue hopes of advantage might be

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\*Nawanagar Remissions Residency File No. 425.

"excited in the minds of the Chiefs who pay tribute to this State. They would go on asking for more and more, for, nothing is lost by asking. When all that is asked is not conceded (and it is seldom that all that is asked is conceded could be granted) discontent<sup>would follow</sup>, and that discontent might assume a more active form against the interests of this State. Crime and depredations in our territory from outside might increase and other complications ensue.

"This State desires, as much as possible, to abstain from unpleasant discussions with Political officers, with whom it wishes to stand on the best of terms. But when, for instance, we decline to accede to the recommendations or wishes of Mr. Peile, (the then Political Agent, Kathiawar, through whom the Jam had applied) Mr. Peile, could not certainly be pleased. We might thus have to incur the displeasure of successive Political officers upon whose good will we have to depend in many boundary and other cases." A single unfavourable remark escaping a political officer in Kathiawar might however unintentionally, cause some of the rude chiefs and races in Kathiawar to do mischief in our territories.

"It occurs to me, therefore, that it would be good policy in the long run, to shut out all agitation by strictly adhering to the permanent settlement, made by the intervention of the British Government. All minds would thus continue in a settled State, and payments would be made without devoting a thought to the same. Things would go on quite smoothly.

"I may mention here that Travancore pays to the British Government the very large sum of Rs. 8/- lacs per annum. A little before I took charge of the administration, the State was on the point of

"total insolvency. It tried hard to get a remission from the British Government but the British Government would not listen to the application. On the contrary, the British Government threw out a broad hint that it would take charge of the State and manage its administration if the finances should continue so bad as to make the payment of the subsidy difficult. Since then the subsidy has been paid with unerring punctuality.

"In these circumstances, I hope you will see reason to entertain the view I have ventured to express in my official letter on the subject and to afford us relief from such applications."

Following this line the Baroda Government further stated in 1899 when the usual practice of allowing His Highness' Government to participate in the enquiry was stopped that "it seems to be fair that the party most interested in the question should have a share alike in the investigation of the claim and in the determination of the extent to which such claims should be allowed. When the Baroda State is not allowed to join in the enquiry, the impression is created amongst the tribute payers that a one sided enquiry will be held, and that claims put forth even on light grounds will be conceded. That this is not an imaginary fear, is proved by ~~xxx~~ certain cases where the joint enquiry actually led to the withdrawal of claims by tribute payers." \*

Regarding the proportion of remission, the Baroda representation demanded that "it should be fixed on certain intelligible and reasonable principles after consultation with His Highness' Government, and should not be fixed exclusively by the British Government.

Both sides should know when remission can be granted and to what extent. If these matters were settled beforehand, there would be left no ground for complaint. His Highness' Government had repeatedly asked for such principles being definitely laid down.\*\*

The ground for the above complaint was that remissions were usually granted by the British Government on the principle that the loss in the present day normal revenue of the tributaries should be <sup>shared</sup> ~~shown~~ proportionately between the tribute payer and the tribute receiver. \* Sometimes remissions were also granted on the score of indebtedness of the tributaries concerned. In all cases remissions granted were more liberal than those which the Government of Bombay were prepared in years of famine to grant to their own ryots, and Zamindars who did not enjoy, the benefit of a permanent settlement.%

The equitable principle which the Baroda Government sought to establish for granting proportionate remissions, was the consideration of the income of the tributaries at the time of the Settlement. Further "There has been considerable increase in the incomes of the tributaries since the time the tribute was permanently fixed, owing to the provision of Railway and Telegraphic communications, which give increased facilities for traffic. Having regard to this consideration and also to the fact that the tribute is a fixed charge, the claims of remission therein ought not strictly speaking, to be entertained, unless the tributaries could produce satisfactory evidence to show that their income in the years of 'Asmani Sultani' had actually fallen short of that with reference to which the tribute was originally settled and permanently fixed.%

Position taken by the British Government.

It appears from the records of the Baroda State that exhaustive representations were submitted by His Highness' Government in 1908\* in the matter of the remission in the tribute and Jamabandi, on account of famine etc. The Government of India, however, declined in 1911, to make any change in the existing practice on the ground that the final decisions of such grants must rest ~~not~~ with them. They had intimated that they did not propose to reopen discussion as to the authority with whom the right to grant remissions or suspension of tribute in these states rested, or to review the grounds on which past decisions on the subject were based."It is sufficient to state that "they remarked," the grant of remissions on account of famine etc. is specifically provided for by Article 7 of the Agreement of 1807-08 concluded with the Chiefs of Kathiawar and in Rewakantha by the method of calculating the revenue as laid down in the Memorandum of the arrangements for the settlement of the Mewasi villages. In the Mahikantha the same principle obtains, for not only has it been authoritatively decided that the settlement was identical with that of Kathiawar, but in 1840 the Maharaja Gaekwad formally agreed to the grant of 'Asmani Sultani' remissions in Kathiawar, in Rewakantha and in Mahikantha. It is equally indisputable that the final decisions of such grants must rest with the British Government.% They have therefore directed that past decisions on the main issue must be maintained and re-affirmed. They also see no grounds for reconsidering the remissions which were sanctioned for various Agencies, after

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\*H.P.O. File No. 116/58

% The cat came out of the bag here.

careful scrutiny, for 1899-1901. At the same time the Government of India are not satisfied that everything has been done to meet the reasonable desire of the Baroda Darbar to be given a voice in the settlement of such remissions,\* and out of this consideration for the Baroda cause the result was as is mentioned elsewhere the British Government gave a formal assurance that the State will be informed of the recommendations of the British Government and the views of the State, if expressed within a certain limit of time, would be taken into consideration before final orders were passed.

The Government of Bombay had admitted the equitable nature of the principle held by the State but in practice they refused to follow it. It will be interesting to note the remark that Capt. F.H. Jackson, Assistant Resident made on the D.O. note that was submitted by Raja Sir T. Madhav Rao on Nawanagar remission. He stated, "I think the Minister's opinion is a sound one, and that no remission should be made without such very good reason as a 'Famine' The Nawanagar State ought to be rich if it was not mismanaged." %

#### Suspension of Tribute.

Occasionally suspensions in tribute were granted by the Government of Bombay to the tributaries of the Baroda State, without consulting the Baroda Government beforehand. The Baroda Government was therefore also seen expressing its deep concern as these suspensions resulted in some loss which was equal to the interest on the sums suspended. The Baroda Government demanded here also the above quoted provision to be applied that the recommendations for suspen-

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\* H.P.O. File No. 341/9  
% Residency File No. 425.

suspensions, with the reasons for them should be referred to them before orders were passed.

#### Reduction of Tribute.

Till 1889, the British Government followed unreservedly the principle that the tribute as permanently fixed by the settlements should in case be permanently reduced. This was rather the natural corrolarly of the stipulation of the arrangements made for the procurement of tribute free of expense from Kathiawar and Gujarat by the British Government.

But in 1889, on the representation of the Pethapur Taluka of the Mahikantha Agency the tribute was first experimentally reduced for five years and in 1905, it was fixed at 35% of the gross revenue, subject to revision after 10 years. @ The reasons urged by the Pethapur Taluka were proved to be fallacious by the Baroda Government and ~~the~~ in consequence demanded that the tribute should be restored to the figure at which it was permanently fixed in 1812 and further remonstrated to the British Government that the Treaty engagements gave no authority to the British Government to reduce the amount of the tribute already fixed and recognised by them.

However, the question was equitably settled so far as Pethapur Taluka was concerned. The Government of India had directed that the 35% limit for tribute should be adhered to but that there should be no maximum limit. This meant an immediate increase of Rs.2369/- p.a. It was observed further by a Baroda note on the subject that

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@Poli Dep. Sel. 116/76 . Pethapur Tributes.

"it will in course of time result in tribute much in excess of the high figure fixed in 1812, being paid to us annually." \*

#### Interest on Tribute.

One more question had arisen with respect of the tribute. In the engagements which the tributaries passed at the time of the settlements, it was provided that 'they shall pay interests at 12% on overdue instalments of tribute % . From the records it appears that the Government of Bombay latterly remitted a sum of about Rs. 50,000/- % which had accumulated on account of interest, on the grounds that as accounts were not punctually prepared by the Kathiawar Political Agency, the tributaries had not been informed about the sums due by them for interest. The Government of Bombay, in the latter years had also given discretion to their Political Agents in Kathiawar, Mahikantha, Rewakantha and Palanpur to decide whether interest should or should not be charged on overdue instalments in particular cases, and to fix a rate varying from 6 to 12 percents at which interest, if any, should be charged.

Baroda Government on coming to know this change of procedure and order showed a disapproval of their Government to the new policy in these words. "This procedure conflicts with the express provision in the engagements, and it is fair that except in cases where tribute is remitted or suspended, interest should be charged on all overdue instalments and it should be calculated at the rate of 12% mentioned in the engagements. There should be no discretion left with the

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\*H.P.O. Tribute and allied matters Vol. I - A note on the subject.

Political Agents to vary this rate." \*

On a sympathetic consideration given to this question and in conformity with the new policy in the latter part of the second decade of this century it was also settled satisfactorily to the Baroda Government, as it appears from the instructions of the Government of India to Bombay Government, "that in future the normal procedure should be to charge interest at 12% p.a. according to the engagements passed by the tributaries and that remission or reduction of interest should in exceptional cases be sanctioned only after consulting His Highness' Government. %

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\*H.P.O. File No. 341/4

% H.P.O. Tribute and allied matters.