

Ceiling on Land Holdings

August Measures to Hoodwink People

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THE idea of imposing ceilings on agricultural land holdings is novel to India. It was Professor Radha Kamal Mukherjee who, perhaps for the first time, mooted the idea in his memorandum submitted to the Sub-Committee for Land Policy of the National Planning Committee. After Independence, Bombay, Uttar Pradesh and a few other States imposed ceiling on future acquisition of land. The principle that there should be an absolute limit to the amount of land which an individual may hold was officially commended for the first time in the First Five Year Plan. It was reiterated in the Second Plan.

Though the imposition of ceiling on land holdings has been accepted by the Government of India in principle, the State Governments have not shown much enthusiasm for its implementation. Ceiling on land holdings as an integral part of the programme of agrarian reforms was one of the main planks of the Congress election manifesto in 1952 and in 1957. The failure of the various State Governments to fulfil the election pledge of ushering in land reforms naturally proved to be a source of "real embarrassment to the Congress High Command.

The Nagpur resolution on "Agrarian Organisational Pattern" adopted by the Congress at its Nagpur session in January last year slated *Inter alia* that "in order to remove uncertainty regarding land reforms and give stability to the farmer, ceilings should be fixed on existing and future holding and legislation to this effect, as well as for the abolition of intermediaries, should be completed in all States by the end of 1959. This does not mean any ceiling on income, as it is expected that by intensive cultivation as well as by additional occupations rural incomes will rise. Surplus land should vest in the Panchayats and should be managed through co-operatives consisting of landless labourers". The target date of "end of 1959" prompted most of the State Governments to introduce in their respective legislatures during 1959 bills for imposing ceilings on land holdings. The salient fea-

tures of these bills in some of the important States are summarised below.

IN UTTAR PRADESH

Ceiling area. The U P Ceilings Bill, 1959, fixes the ceiling for an individual or a family of not more than live members at 40 acres of Fair Average Quality land. For a family of more than five, the ceiling will be 40 acres of Fair Average Quality land plus 8 acres of such land for every additional member of the family subject to a maximum of 24 acres.

Family. A "Family" means husband, wife, dependent father, dependent mother, children other than married daughters and separated children, and unseparated son's wife or widow. A child shall be deemed to be separated where the land is recorded separately in his name or where his separate share has been declared under a family settlement or a decree of court, etc.

Restriction on transfers. In determining the applicable ceiling land—which but for the transfer or area, any transfer or partition of partition would have been declared surplus land under the provision of this Act—made after the 15th August 1959 shall be ignored and not taken into account.

Compensation. Rates of compensation have been prescribed as follows. For holdings of:

(1) Bhumidar: forty times the land revenue determined at the applicable hereditary rates, or eighty times the land revenue payable, whichever is greater.

(2) Sirdar: twenty times the land revenue determined at applicable hereditary rates.

(3) Occupancy. ex-proprietary and hereditary tenants: twenty times the rent determined at the applicable hereditary rates.

Disposal of surplus land. Surplus land shall vest in the State Government, free from all encumbrances. The surplus land found after determination of ceiling area may be settled with any member or members of society, so however that no member holds land in excess of 12½ acres and the balance, if any, shall

be settled in accordance with the provisions of sub-section (4). This sub-section lays down that surplus land in a village, if it is more than 15 acres may be settled with a registered co-operative farming society of landless agricultural labourers; if less than 15 acres, then it should be settled with a registered co-operative farming society of uneconomic tenure holders, i.e., persons holding less than 3.1/8 acres each.

INCOME CRITERION IN BOMBAY

Ceiling area. The Bombay Ceilings Bill 1959 empowers the State Government to determine for each class of land in each local region, the area sufficient to yield a net income (which is equivalent to 50 per cent of gross produce) of Rs 3,600 per annum. This area, which will vary from region to region and land to land, will be the ceiling.

Restriction on transfers. After the commencement of this Act, no land can be transferred or subdivided except with the permission of the collector. Transfer of land by sale, gift, or partition after the 15th January 1959 but before the commencement of the Act will be deemed to have been made to defeat the object of this Act, unless the contrary is proved.

Compensation. Compensation shall consist of an amount equal to

(a) one hundred times the full assessment of land, except where the land is held on lease from Government; and

(b) depreciated value of permanent structures and wells, if any, in the land.

Disposal of surplus land. Surplus land will vest in the State Government free from all encumbrances. Surplus land will be allotted on payment of occupancy price, in the following order of priority, to:

(b) person from whom any land held by him as tenant has been resumed by the landlord for personal cultivation, and also if, as it consequence, holds no land, provided he is a resident of the village with surplus land;

(2) a co-operative farming society either of landless persons, small

holders or agriculturists *other than small holders*;

- (3) agricultural labourers;
- (4) landless persons: and
- (5) small-holders.

IN BIHAR

Ceiling area. The Bihar Ceilings Bill 1959 lays down the ceiling area of land of different classes, as follows:

(1) 30 acres of land irrigated by canals maintained by the Government on the date of commencement of the Act;

(2) 15 acres of land actually irrigated by lift irrigation work or tube wells maintained by the State Government;

(3) 60 acres of land including orchard other than land referred to in (1), (2), (4) and (5):

- (4) 75 acres of Diara land;
- (5) 91 acres of class V land.

Explanation. A member of an undivided Hindu family having or entitled to a share in any land shall be deemed to be a land-holder for the purpose of this Act, as if there were partition in the family immediately before the commencement of this Act.

Restriction on transfers. No person shall after the commencement of this Act, either by himself or through any other person acquire or possess by transfer, exchange, etc. any land which together with the land, if any, already held by him exceeds in the aggregate the ceiling area. Transfer does not include inheritance, bequest and gift.

Compensation: The rates of compensation payable, for different classes of land (in Rs per acre) are:

(1) Class I	1,200
(2) Class II	800
(3) Class III	600
(4) Class IV	100
(5) Class V:	
(6) Type V	200
(b) Type 'B'	100
(c) Type C	10

Disposal of surplus land. Under Section 15, surplus land will vest in the State Government, free from all encumbrances. Section 26 states that surplus land may be entrusted to the management of Gram Panchayats. They shall:

(1) manage the land, subject to rules made by the State Government; and

(2) whenever possible get the land cultivated through co-operative farming society. Where it is not possible to cultivate the land through co-operative society, it has to be settled with *landless persons* with the permission of the collector.

HIGHER INCOME PERMITTED IN ANDHRA

Ceiling Area. As in Bombay, the Andhra Ceilings Bill 1958 empowers the prescribed authority in each local area to determine the extent of land ordinarily sufficient to yield a prescribed income. It is, however, higher at Rs 5,100 per annum for each class of land in each kind of soil in that area.

Restriction on transfers. No restriction till the notified date.

Compensation. Rate of compensation for

(1) first Rs 5,100 of net income of land surrendered. 10 times the net income; and

(2) on the balance of net income of land surrendered. 5 times the net income.

Vesting of surplus land. Surplus land shall vest in the State Government free from all encumbrances.

IN MADHYA PRADESH

Ceiling Area. The Madhya Pradesh Ceilings Bill, 1959, puts the ceiling at 32 standard acres of land. (A standard acre means one acre of perennially irrigated land or two acres of seasonally irrigated land or three acres of dry land). Where land is held by a Hindu joint

family, each member entitled to a share in the property shall be deemed to hold land proportionate to his share in the property to which he would be entitled if a partition were to take place on the day when the Act comes into force.

Restriction on transfers. The select committee to which the bill was referred recommended that the date of enforcement, should be two years after the passing of the bill so as to facilitate the disposal of surplus land by the holders themselves.

Compensation. Rates of compensation are as specified in the accompanying table.

Disposal of surplus land. Surplus land is to vest in the State Government. It is to be allotted in Bhuswami rights in the following order of priority on payment of a premium equivalent to the compensation payable in respect of such land;

(1) Joint farming society of agricultural labourers or landless persons;

(2) Better farming society of agricultural labourers or landless persons;

(3) Agricultural labourers;

(4) Landless persons;

(5) Holders of contiguous land; and

(6) Joint farming society of agriculturists, etc.

IN KERALA

Ceiling Area. The Kerala Bill 1957 prescribes the ceiling area as follows:

(a) in the case of a family con-

Compensation in Madhya Pradesh	
<i>Land Revenue per Acre</i>	<i>Compensation per Acre</i>
(1) Not exceeding Re 1	50 times land revenue per acre subject to a minimum of Rs 20
(2) Between Re 1 and Rs 2	45 times the difference by which land revenue exceeds Re 1 plus Rs 50
(3) .. Rs 2 and Rs 3	40 times the difference by which land revenue exceeds Rs 2 plus Rs 95
(4) .. Rs 3 and Rs 4	35 times the difference by which land revenue exceeds Rs 3 plus Rs 135
(5) .. Rs 4 and Rs 5	30 times the difference by which land revenue exceeds Rs 4 plus Rs 170
(6) .. Rs 5 and Rs 6	25 times the difference by which land revenue exceeds Rs 5 plus Rs 200
(7) Above Rs 6	20 times the difference by which land revenue exceeds Rs 6 plus Rs 225

sisting of not more than 5 members, 15 acres of double crop nilam; and

(b) in the case of an adult unmarried person. 7½ acres of double crop nilam.

Family. 'Family' means husband, wife and their children.

Restriction on transfers. All voluntary transfers effected after December 18, 1957 otherwise than by way of partition, or on account of natural love and affection, shall be invalid.

Compensation. Compensation will be paid on the following scale:

Purchase Price	Kate (per cent)
(1) On the first Rs 15,000 of the total market value	60
(2) On the next Rs 15,000	55
(3) On the next Rs 15,000	50
(4) On the next Rs 15,000	15
(5) On the next Rs 15,000	10
(6) On the next Rs 15,000	35
(7) On the next Rs 15,000	30
(8) On the balance	20

Disposal of Surplus land. Surplus land shall vest in the State Government. 50 per cent of the surplus land will be assigned to agricultural labourers—of whom 25 per cent must be landless agricultural labourers belonging to the scheduled castes or tribes—. 25 per cent will go to small-holders, and 25 per cent to the cultivators who do not possess any land or possess below 5 acres of double crop nilam.

Purchase Price. The purchase price of the land shall be 55 per cent of its market value and shall be payable in 16 equal annual instalments. The amount outstanding after payment of each instalment shall bear interest at the rate of 4½ per cent per annum.

IN RAJASTHAN

Ceiling Area. The Rajasthan Bill 1958 puts the ceiling area for a family consisting of five or less than five members at 30 standard acres of land. (A 'standard acre' is the area of land which, with reference to its productive capacity, situation, soil classification and other prescribed particulars, is found likely to yield 10 maunds of wheat yearly). In determining a ceiling area in terms of standard acre, the money value of the produce of well-irrigated (chahi) land, shall be taken as being equivalent to the money value of the produce of an equal area of unirrigated (barani) land.

Family. Family' consists of husband, wife, their children and grand-children, and dependent widowed mother.

Restriction on transfers. Any voluntary transfer, effected on or after February 25, 1958 otherwise than (1) by way of partition, or (2) in favour of a person who was landless, shall not be recognised or taken into consideration. No transfer as in (2) shall be recognised if made after February 10, 1959 (i.e. the date on which the bill was passed).

Compensation. Kate of compensation is :

- (1) For first 25 acres, 30 times the sanctioned rent rate.
- (2) For next 25 acres, 25 times the sanctioned rent rate
- (3) For the balance, 20 times the sanctioned rent rate.

Disposal of surplus land. Surplus land under shall vest in the State Government free from all encumbrances. All lands vesting in the State Government shall be held by the Tehsildar, subject to the orders of the subdivisional officer and shall be let out to landless and other persons, whether or not on making payment at the prescribed scale in the manner laid down in the rules made in this behalf by the State Government.

From what has been narrated above, it will be found that there are wide disparities in the provisions of the ceiling bills in different States. Though land reform is a State subject, a certain degree of uniformity is necessary in the application of ceilings on land holdings

in the various States so that the process may not result in the establishment of permanent disparities in the standard of living of the rural people in different parts of the country. For instance, Bombay proposes to fix ceiling area to be that holding which yields a net annual income of Rs 3,600, while Andhra proposes it to be the holding which yields a net annual income of Rs 5,100. Surely, the average standard of living of peasantry in Bombay does not vary so widely from that in Andhra as to warrant such a disparity to be imposed statutorily. If anything, the problem of land is more acute in Andhra than in Bombay

In U P the ceiling area is proposed to be fixed at 10 acres of Fair Average Quality land I which is a sort of class I land): in Bihar, it varies from 30 acres of canal How irrigated land to 90 acres of class V land; in Madhya Pradesh, it varies from 32 acres of perennially irrigated land to 96 acres of dry land; in Kerala, it is 15 acres of class I land (7½ acres for bachelors); and, in Rajasthan, it can be anything from less than 30 ordinary acres to more than 250 acres. The 'standard acre' in the Rajasthan Act has been defined in such a unique fashion that it will vary from holding to holding and from field to field).

The determination of the ceiling in the various States does not appear to bear any correlation either to pressure on land, or to the density of population, or to the average size of agricultural holdings, or to the non-availability or abundance of culturable waste land in the State. The table below illustrates the point.

Pressure of Population and Size of Holdings

State	Population per Sq. Mile	Average Size of Holding (Acres)	Percentage of Culturable Waste Land to Total	Ceiling (Acres, unless stated otherwise)
(1) U P	560	2.5	13.9	40
(2) M P	170	8.5	22.2	32 standard
(3) Bihar	571	3.0	11.6	30 class I to 90 class II
(4) Rajasthan	121	16.2	39.0	30 standard
(5) Andhra	317	4.5	13.4	Net Income Rs 5,100 yearly
(6) Bombay	327	13.3	1.8	Net Income Rs 3,600 yearly
(7) Kerala	1013			15 (7½ for Bachelors)

For determining the level at which ceiling should apply, the Planning Commission suggested a convenient unit which was "about three times the size of a family holding". A family holding may be considered as (a) an operational unit, and (b) an area of land which can yield a certain average income. Before bringing about ceiling legislation, the various State Governments should have specified the area of land which could be declared as a family holding, taking into consideration the conditions of different regions, classes of soil, irrigation facilities, etc. This would have avoided the variegated pattern of ceiling areas with which we have been confronted now by the State Governments. Some uniformity in this respect is highly desirable.

INTRIGUING CONSTITUTIONAL QUESTION

The provisions for compensation in these hills also present an equally confounding picture. In U P, the rate of compensation for the land surrendered is 80 times the land revenue, whereas in Bombay, it is 100 times the "full assessment of land". The same black soil which will fetch compensation of over Rs 1,000 in Gujarat will bring in only Rs 350 in M P. Similar disparity in compensation exists between Andhra and Kerala and between Bihar and U P. In Rajasthan, the rate of compensation has no scientific basis. Rajasthan is a conglomeration of ex-princely states and hence the rates of rent in this State vary in an irrational manner from one part of the State to another, with the result that the most fertile irrigated land in the district of Ganganagar may get a compensation of Rs 45 per acre while the sandy and dry land in Jaipur district may get Rs 250 per acre.

For the general good, the State has a right to acquire property on payment of compensation. But the compensation to be paid should be equitable. It is but natural that the agriculturists in various parts of the country may expect some uniformity in the rates at which compensation will be paid to them for the land surrendered by them in the wake of imposition of ceilings on their land holdings. Before enforcement, all these ceiling bills will have to receive the resident's assent. It does appear a bit queer that the President of the Republic of India will be required to dispense

justice in different measures to the people in different parts of the Union.

Despite the categorical nature of the recommendation of the Nagpur resolution of the Congress for vesting of surplus land in the panchayats all the ceiling legislations of the seven States discussed above have proposed to vest the surplus land in the State Governments.

PRACTICAL MEASURES

The object of imposing a ceiling on existing holdings as visualised in the First Plan was to utilise the surplus land either to increase the size of the uneconomic holdings or to distribute it to the landless for co-operative cultivation. One of the immediate problems facing the country is to increase food production and that is also the objective of land reforms as enunciated in the Second Plan. The use of surplus land to increase the size of the uneconomic holdings is a better and more practical proposition than its distribution to the landless for co-operative cultivation, as the efficacy of the latter is still in doubt. On the other hand, "uneconomic holdings are at the root of many of the difficulties of Indian agriculture. Agriculture cannot be developed as an efficient industry unless the unit of management becomes much larger than it is at present". But the Nagpur Government thinks otherwise and recommends the second course of distribution of the surplus land to the co-operatives of landless. And most of the State Governments seem to think alike in this matter and propose to manage the surplus land through co-operatives of the landless.

U P and Kerala have, however, departed from the doctrinaire approach of the Nagpur Congress and have adopted a more practical course. In U P it is proposed to redistribute the surplus land among the villagers so that no one gets more than 12½ acres of land and the balance, if any, is to be managed through co-operatives of landless agricultural labourers. Similarly in Kerala (a State with Communists at the helm of affairs at that time), 50 per cent of the surplus land will go to the landless agricultural labourers and the remaining 50 per cent to smallholders and agriculturists. In Rajasthan, though the law provides for allotment of surplus land to landless and other persons, the existing instructions to

the executive are for allotment of Government land to tenant co-operatives. The Bihar Government outbids all others in acting in the spirit of the Nagpur Resolution in the matter of management of surplus land: the panchayats will manage the surplus lands through co-operatives.

These august measures of land reform are going to adorn the statute book of every State. But how much surplus land will be surrendered in each State as a result of ceiling laws is a matter of speculation. The provisions regarding restriction on transfers have been so loosely worded, as if by design, in almost all the bills that they are not likely to be effective at all. The Planning Commission suggested that restrictions should be imposed on all transfers made since 1953 to avoid ceiling, and also that all the transfers that have already taken place should be reviewed. But none of the States have felt it necessary to act on these lines. Thus the ceiling law will be nothing but an innocuous piece of legislation to be dangled before the *manges*. As far as one can see, there is little likelihood of surplus land being surrendered, or of land being redistributed to the landless and the needy in the near future to any appreciable extent. What a socialist society we are mil to build!

Final Estimate of Khariff Pulses, 1959-60

PRODUCTION of khariff pulses in 1959-60 was nominally higher by 0.5 per cent over 1958-59 against a 3.1 per cent rise in acreage. Production in 1959-60 is estimated at 1.57 million tons as compared with 1.56 million tons a year ago, while acreage rose to 16.08 million acres from 15.58 million acres. The estimates for 1958-59 have been partially revised.

Acreage was higher in Rajasthan, and to a lesser extent in Madhya Pradesh, Andhra and Madras, due to favourable climatic conditions at the time of sowing. Against this, acreage declined in Punjab and Mysore.

Export of Plastic Goods
THE value of plastic goods exported during the first ten months of 1959-60 amounted to about Rs 62 lakhs against Rs 7 lakhs during 1955-56. This was given out by the Deputy Minister of Commerce and Industry, in the Lok Sabha.