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***BILL No. XX OF 1937 TO ABOLISH THE KHOTI SYSTEM**

The following Bill for the introduction of which leave was granted to Dr. B. R. Ambedkar, M.L.A., at the meeting of the Bombay Legislative Assembly on the 17th September 1937 is published under rule 20 of the Bombay Legislative Assembly Rules : —

BILL No. XX OF 1937

A Bill to abolish the Khoti System

WHEREAS it is desirable and necessary to abolish the system of revenue farming known as the Khoti System and to extend the principles of the Rayatwari System as being more beneficial to the area where the Khoti System is in operation; It is hereby enacted as follows : —

1. *Short title and extent.*—This Act shall be called “The Khoti Abolition Act, 1937.” It shall extend to the whole of the Presidency of Bombay.

2. *Abolition of Khoti System.*—After the passing of this Act it shall be lawful for Government by notification in the *Government Gazette* to declare that the Khoti Rights of a particular khot or of khots in a particular area are abolished from such date as may be mentioned in the said notification.

3. *After notification Khot not entitled to act as Khot and Government not bound to employ or recognise him as Khot.*—From the date of any such notification so much of any law, custom or usage now in force which entitles the Khot to act as a Khot or which requires Government to employ or recognise a Khot or which confers upon him the rights of Khot shall cease to be enforced in any suit or proceedings in any Court.

4. *After notification Khot free from liability in respect of revenue.*—From the date of any such notification the Khot shall be free from any liability to Government relating to revenue becoming due after the date of the notification.

5. *Compensation to Khots.*—(i) It shall be lawful for Government to pay reasonable compensation to the Khot for the loss of his rights as a Khot suffered by him in consequence of the notification :

Provided that the compensation shall not exceed one per cent. of the assessment leviable under the Land Revenue Code in respect of the land held by him as Khot.

**The Bombay Government Gazette, Part V, dated October 21, 1937, pp. 88-94.*

(ii) The decision of Government regarding the amount of compensation shall be final and conclusive.

(iii) It shall be lawful for Government to pay compensation due to a Khot in cash, bonds or annuity or in any other form and the decision of the Government as to the form and mode of payment shall be final and conclusive.

6. *Inferior holders of Khoti villages to be occupants.*—When the Khoti System in any area has been abolished under the provisions of this Act all persons in possession of the lands in that area whether under the management or beneficial enjoyment of the Khot shall be regarded as occupants of the lands in their possession within the meaning of section 3(16) of the Land Revenue Code, 1879, and shall have the same rights and be affected by the same responsibility in respect of lands in their possession as the occupants of the unalienated land have been or are affected by or under the provisions of the said Code and all the provisions of the said Code shall be applicable to them.

7. *Determination of disputes regarding claims to occupancy rights.*—In case there is a dispute as to who should be the occupants of a particular holding priority shall be granted to the claimant whose occupation of the land has been of greater duration during the 12 years preceding the notification.

8. *Rights to occupancy not lost by disturbance.*—Any disturbance caused to the rights of an inferior holder after the passing of the Act shall not prejudice the rights to which he may be entitled under section 6 of this Act.

9. *Inquiry into disputes as to rights to compensation by Khots and rights to occupancy by inferior holders.*—(i) It shall be lawful for Government to appoint an officer to enquire into and decide all disputes arising under this Act between persons, claiming to be interested as occupants of lands in the area in which the Khoti System has ceased to exist, and also disputes between persons laying a claim to the compensation payable under this Act.

(ii) For the purpose of enquiries under this Act the Officer shall have power to summon and enforce the attendance of witnesses including the parties interested or any of them and to compel the production of documents by the same means and so far as may be in the same manner as is provided in the case of a Civil Court under the Code of Civil Procedure, 1908.

(iii) The provisions of sections 9, 10, 11, 12, 13, 14 and 15 of the Land Acquisition Act, 1894, shall so far as may be apply to the proceedings held under this Act for the determination of the amount of compensation to be paid or of the right to be recognised as an occupant.

(iv) It shall be lawful for the officer to compel the Khot or the inferior holder to produce all documents, records and registers in his possession or power for the purpose of any enquiry that may be necessary for settling disputes regarding rights to the amount of compensation or regarding rights to occupancy.

(v) The Officer shall lodge his decision with the Collector and shall communicate in writing his decision regarding claims, to a right to occupancy in the land or claims to a right to the compensation to the persons making such claims.

(vi) If the Officer is unable to satisfy himself as to which of the different claimants was entitled to compensation he may suspend payment of compensation until a competent Civil Court has determined the rights of the persons who have claimed the compensation.

10. *Reference by inferior holders whose claim to occupancy has been rejected.*—(i) Any person who is aggrieved by reason of the fact that his claim for being registered as an occupant is rejected by an order passed by an Officer specially deputed by the Government in his behalf shall by a written application to the Collector require that the question of his claim be referred by the Collector for the determination of the District Court within whose local jurisdiction the whole or part of the land is situated or a Tribunal appointed by Government in this behalf.

(ii) The application shall state the grounds of his objections to the decision of the Officer and shall be submitted within 90 days from the date of the service of the order rejecting his claim.

(iii) The Collector shall refer the application to the District Court or the Tribunal as the case may be. The application shall be numbered and registered as a suit between the applicant as plaintiff and the person or persons who have been declared by the Officer to be entitled to occupancy as defendant.

(iv) On such application being registered the Court or the Tribunal shall direct notice thereof to be given to the defendant or defendants to appear and answer the claim on a date to be therein specified.

(v) The application shall be set down for hearing as a suit instituted in the ordinary manner under the provisions of the Code of Civil Procedure, 1908, shall apply to such suits so far as the same are applicable.

(vi) No appeal shall lie from any decision given or order passed in any such suit by the Court or by the Tribunal.

11. *Statements to be filed by Khots.*—(1) Within three months from the passing of this Act the Collector shall by notice in writing require every Khot to lodge with him on or before a day named by him in the notice (which day shall not be later than three months from the date of the notice) a statement signed by the Khot showing : —

(i) The survey numbers of all lands of which he is a superior holder as a Khot or otherwise ;

(ii) the persons who have been in occupation of each survey number for each year commencing from the year 1920 to the date of the passing of this Act; and

(iii) the title and the nature of the interest claimed by the Khot in each such survey numbers.

(2) The Khot shall report to the Collector from time to time in writing of any change that may subsequently occur in any of the particulars contained in the statement lodged under sub-section (i).

(3) *Liability to make statement.*—Every Khot required to make or deliver a statement under the preceding section shall be deemed to be legally bound to do so within the meaning of sections 175 and 176 of the Indian Penal Code.

12. *Statement to be evidence.*—The entries in the statement furnished by the Khot under section 11 shall be conclusive evidence as against the Khot of the facts contained therein in any suit or proceeding to which the Khot or his representative in interest is a party.

13. *Penalty for not furnishing statement.*—(i) Any Khot who in contravention of the provision contained in sub-sections (1) and (2) of section 11 refuse or neglects to lodge a statement when required to do so or refuses or neglects to report any change occurring subsequently in any of the particulars of the statement shall be punished for each such offence with fine which may extend to 100 rupees.

(ii) Any Khot neglecting to make a statement as required by sub-section (1) of section 11 within the prescribed period shall be liable at the discretion of the Collector to be charged a late fee not exceeding five rupees a day of every day of the delay which shall be leviable as an arrears of Land Revenue.

14. *Provision for obtaining certified copies.*—In all cases in which a statement is lodged by the Khot and in all cases in which in the course of an enquiry documents have been filed and decisions have been given authenticated copies of entries in the statement of documents and decisions shall be furnished to the parties and to those claiming under them on due application being made for the same subject to such charges for copying, etc., as may from time to time be prescribed by Government.

15. *Authority to Government to make rules.*—(1) It shall be lawful for the Government to make rules for giving effect to the provisions of this Act and in particular providing for—

(i) the form, contents, publication and service of the notification.

(ii) the determination of the amount of compensation, and the mode of payment,

(iii) the appointment of Tribunal to hear and decide references,

(iv) the fees and cost to be paid by claimants on applications, references and authenticated copies of documents, entries and decisions arising in any proceedings under the Act,

(v) the production of documents by parties and the maintenance of the documents produced or lodged.

(2) The power to make rules under this section shall be subject to the condition of previous publication in the *Bombay Government Gazette*.

(3) The rules made under this section shall be laid on the table of the Legislative Assembly for not less than one month previous to the next session thereof and shall be liable to be rescinded or modified by a resolution of the said Assembly. If any rule is modified or rescinded, Government shall accept the modification and republish the rule accordingly or shall rescind the rule.

Statement of Objects and Reasons

1. The Khoti System is one of the minor land tenures in the Bombay Presidency. It is found mostly in the Ratnagiri District and in some parts of the Kolaba and Thana districts.

2. The terms of the Khoti Tenure are in some cases regulated by law, in some by custom and usage and in the rest by grant. In the Ratnagiri District the terms are regulated by Bombay Act I of 1880. In the Kolaba District the terms are regulated by custom and usage and in the Thana District by grant.

3. The Khoti Tenure differs from the ordinary Rayatwari Tenure inasmuch as in the latter the Government collects revenue directly from those who are in occupation of the land while in the former the Government is required to employ the services of the Khot for the purpose of collecting revenue.

4. The system of Khoti Tenure while it binds the Khot to pay revenue to the Government leaves him free to do what he likes to the inferior holders and this freedom has been so grossly abused by the Khots that the inferior holders are not only subjected to all kinds of exactions but they have been reduced to a state of abject slavery. In recent years the inferior holders have been carrying on a great agitation against Khots and have been demanding the abolition of the Khoti system. The relations between the khots and the inferior holders have been so strained that three Khots were murdered by them.

5. While the Khoti Tenure may have the advantage of facilitating the collection of revenue its disadvantages are so great that the Tenure cannot be allowed to continue hereafter without causing grave disturbance to the peace and tranouillity of the Presidency. It is therefore imperative to abolish the system.

6. The Bill aims (1) to abolish the Khoti System and to establish direct relationship between Government and those who are in possession or occupation of the land which is under the management or beneficial enjoyment of the Khot, (2) to make provision for the payment of reasonable compensation to the Khot for the loss of his rights and (3) to give those inferior holders who are in actual occupation of the land the status of occupants within the meaning of the Land Revenue Code and (4) to provide for other incidental purposes.

(Signed) B. R. AMBEDKAR.

H. K. CHAINANI,

Secretary to the Bombay Legislative Assembly.

Poona, 18th October, 1937.