

Administration report of the Sikkim State for the year 1936-37 to 1937-38

CHAPTER I

General

Situation and Area – Sikkim forms a short of wedge between the two States of Nepal and Bhutan, all three together comprising nearly three-fourths of the entire Himalayan range. It is situated between 27-9' and 27-58' north latitude and 88-4' and 89 east longitude and is bounded on the north and north-east by Tibet; the south-east by Bhutan; on the south by the British district of Darjeeling and on the west by Nepal. The main axis of the Himalayas which runs east and west forms the boundary between Sikkim and Tibet. The Singalila and Chola ranges which run southward from the main chain separate Sikkim from Nepal on the west and from Tibet and Bhutan on the east. On the Singalila range rise the great snow peaks of Kinchinjunga (28, 146 feet above sea level), one of the highest mountains in world. The Chola range which is much loftier than that of Singalila leaves the main chain at the Donkyala.

The country has an area of 2,818 square miles, its extreme length from north to south being 73 miles and extreme width 55 miles.

Physical Features – Sikkim forms the main trade route between Tibet and Calcutta. It is entirely a hill country and indescribable magnificent. It is a land of snow, of lovely forests, of warm and fertile valleys roaring torrents and peaceful lakes. It is well known for its gorgeous flora, its picturesque fauna and gloriously glittering insect world. The province Sikkim, geographically considered, is the river Tista and its affluents down to the plains. It would include the Darjeeling district which original belonged to Sikkim. It forms an advanced section of the Eastern Himalayas which receives unchecked across the plains, the south winds from the sea, laden with moisture. This is condenses in the cooler atmosphere of the mountains absorbed in the part and for a while by forest vegetation and returned into the sea from whence it comes in mighty rivers fertilizing on their passage, the plains of Bengal.

Population- the population of the State according to the last decennial census taken in 1931 is 109, 808 (55, 825 males and 53, 983 females) which was an increase of 34 percent, over the figures of the previous census it 1921, which was 81,721. there was thus in 1931 an average density of 39 persons to the square mile. If the uninhabited areas comprised in inaccessible heights and reserved forests are excluded, Sikkim would have a density of population of approximately 100 to the square mile.

Distribution – the principal centres of population are Gangtok, the Capital, singtam, Rangpo, on the cart road; Rhenock, and Rongli, on the Tibet trade route; Namchi. Majhiar and Naya- Bazar in the Western sub- division of Sikkim. Villages and village life are entirely unknown. The conditions being rural or semi-rural, people live in detached homesteads, each nesting in its tree planted and walled gardens. Once a week

there is held a market ('Hat') in most of the centrally situated bazaars where people from distances of ten to fifteen miles gather together to buy and sell the necessities of life and merry evening.

Religions – Buddhism, the religion of the ruling family, is the predominant religion, but numerically Hinduism the religion of the Nepalese colonists in Sikkim is by far the most represented. There has been existed terminated with the convention of 17th March 1890 and 5th, December 1893 and Sikkim fell under British superintendency. A Political Officer was stationed at Gangtok and he continued to advise and assist the Maharaja in the government of his country and preside over the State Council. This arrangement lasted till the 5th, April 1918, when the present Maharaja was invested with full powers of administration in his State.

The Calendar, - The Tibetan year begins about the middle of March. The Nepalese observe the Hindu-Bikrami-Sambat. The official year is reckoned according to the Gregorian Calendar.

The Currency,- Sikkim has no coinage of its own. The British Indian Rupee is in free circulation and is the only currency officially recognized.

The Ruling Family –

His Highness Sir Tashi Namgyal, Maharaja of Sikkim is eleventh in lineal descent of the Rulers in Sikkim. He was born on the 26th, October 1893 and his succession to the 'Guddi' of Sikkim was recognized by the British Government on the 19th, February 1915. His Highness the Maharaja is entitled to a salute of 15 guns and to return visit from his Excellency the Viceroy and Governor-general of India. He is a member in his own right of the chamber of Prince.

His Highness married in 1918, the daughter of Raka-Shar, the foremost leading family in Tibet. Their highnesses are blessed with family of six children, three kumars and three kumaries. Maharaj Kumar Kunzen Palzor Namgyal, the heir-apparent, was born on the 20th, November 1921; Raj Kumar Palden Tendup Namgy on the 22nd, May 1923; Raj Kumari Pema Tsedon, on 6th, September 1924; RAj Kumari Pema choki, on 25th, December 1925; Raj Kumari sonam Palden existed in the State a very small body of Scottish and Finland Missioneries, but the Christian converted number only a few hundreds.

Position of Women – The purdah system us unknown. Women generally enjoy very great freedom and activity, participate in the occupations of agriculture and trade.

Historical Sketch – In the time of its early Rulers, the territories of the Sikkim Raj extended on the north to Tangla (in tibet0, on the south as far as Kishenganj in Purna district (North Bengal0; on the west the boundary between Nepal and Sikkim lay in Shingsa, Dagpay, Walung, Yangma, Khangchan, Yurlung, Timar Chotan, Arun and Dud-kosi rivers; on the east, Sikkim held away up to Tegong- La.

During the reign of Maharajas Tensung Namgyal and Chhador Namgyal, the 2nd and 3rd Rulers of Sikkim, the Bhutanese, its eastern neighbours, overran Sikkim territory and again at the end of the 9th century A.D .there was a Gurkha invasion from the west. The Chinese armies came to the help of Sikkim, and repulsed the Gurkhas, but at that time the Sikkim Maharaja was a minor and deprived the Sikkim ruler of even his ancestor's estates at Pedi Jong, Hreh Rinchen Tse-Jong near Shigatse in Tibet. In 1814 on the outbreak of Sikkim formed his first alliance with the British Government and at the termination of this war rewarded by a considerable restitution of territories from Nepal.

In March 1888, an expeditionary force was sent by the British Government against Tibet through the territories of Sikkim and after some resistance at Thika-La and Jelap-La the Tibetan armies were defeated and pursued into the Chhumbi Valley. The hostilities terminated on the 27th., May 1927 and Raj Kumar Jigdal Tsering Namgyal was born on the 23rd., August 1928. His Highness the Maharaja was educated at St. Paul's School, Darjeeling and the chief's college Ajmere and possesses great literary tastes. Her highness the Maharani had a short course of tuition in the English language at Mussoorie and converse in it very fluently. The mother tongue of the ruling Family is Tibetan. His Highness was knighted in 1923 (C.I. E., in 1918; K.C.I.E., 1923). Education of Maharaj Kumars are now getting their education at St. Joseph's College, Darjeeling and the two eldest Maharaj Kumaris and the youngest Maharaj Kumar at St. Joseph's Convent, Kalimpong.

The British Representative.

Mr. B.J. Gould, C.M.G., C.I.E., I.C. S., continued as Political Officer in Sikkim and to advise the Darbar on all important matters of administration. He has always ungrudgingly given his time, his experienced advice and learned views in discussing State matters that have been taken to him by the Darbar's Officials from time to time.

Events of General Importance.

In 1936 - Permission was granted to Lt. M.W. White, 2/9th Gurkha rifles to attempt to climb the peaks of Chomiomo and Lama Anden to reconnoitre the Northern slopes of Pahunri from a Ski-ing point of view and to try and fix the position of the Karho-La pass leading from the south Pahunri to the Sebu chu Valley on the understanding that no attempt should be made to climb Kinchenjunga.

Two minutes' silence was duly observed on the 11th November as a mark of respect of those who fell in the World War 1914-16.

In November 1936, the Senior Marketing Officer, Bengal, visited Sikkim Gangtok and discussed with the State Officials the matters relating to the production, export and transport of various crops and commodities of Sikkim .

On the request of the Sikkim Darbar, permission was granted by Bengal Government to ply light motor lorries not exceeding 35 wts. in weight when loaded from Rangpo to Gielle Khola Railway Station during orange season.

On the abdication of king Edward VIII from the Throne, King George VI was proclaimed Emperor of India by the Residency Magistrate in presence of prominent officials and non-officials at the residency on the 14th December 1936.

In February 1937, permission was granted to Major C.J. Morris and Mr. M.E. Gorer for the purpose of studying the Lepchas. In May 1937, his Excellency the governor of Bengal visited Gnatong via Rhenock and returned to Darjeeling through Gangtok.

In August 1937, permission was granted to Professor Dr. Carl Troll to visit Northern Sikkim to study Himalayan physiography and botany.

CHAPTER II

System of Government.

The Ruler and Administration- The Ruler of Sikkim is the source of all authority, Judicial administrative and legislative. The revenue of the State are treated as public funds in the strict sense of the term and the Maharaja appropriates to his own use a very modest civil list which is fully exhibited in the annual budget of the State.

The Government of the country is conducted under the direct control of His Highness who is assisted by an organized Secretariat on the lines of that of the Government of India. The entire administration is carried on through specific Departments. The recommendations of the Departmental Officers are carefully considered in the Secretariat and the decisions of the Durbar are issued in English by a Secretary to government in the form of orders, proceedings or letters. All worked by three Secretaries besides the State Engineer who acts also as a Secretary for the Public works Department of the State. There is no Chief Secretary. The division of the departmental work amongst the different Secretaries is as under:-

General Secretary deals with,

1. Police.
2. Arms and Ammunition.
3. Land Administration.
4. Registration.
5. Co-operative Credit Societies (except accounts).
6. Forests.
7. Political, i.e., chamber of Princes, etc.
8. Miscellaneous (concerning external dealings such as Posts Telegraph and miscellaneous government of India communications, etc.).
9. Stationery.

Judicial Secretary deals with,

1. Education.
2. Medical including sanitation, etc.
3. Ecclesiastical.
4. Jails.
5. Printing Press.
6. Income-tax.
7. Excise.
8. Bazaars.
9. Veterinary.

10. Stamps.
11. Census.
12. Miscellaneous (internal dealings such as Transport, etc.,).

The Financial Secretary deals with the budget, accounts, audit and leave, salaries, traveling allowances, etc., of all the employees of the State.

The Administration of Sikkim is barely more than a dozen years old, but it has been steadily adapting itself to modern forms of government. The system is based on the good patriarchal monarchy of ancient days of oriental civilization where subjects stood as children of the Ruler; and with the simple Hill people unaffected by the virus of democracy and elections the system works excellently. Personal touch and wise and beneficent rule by His Highness produce far more contentment and happiness amongst the people (the ultimate object of all good administration than any " ballot box" government could possibly do in a people who look upon their chief as only next to their God.

Taxation- The revenue of the State is derived mainly from a system of both direct and indirect taxation. Land revenue, house tax and income-tax are the only sources of revenue by direct taxation. The State does not collect its taxes through any departmental agency. The entire collection of the State demands is given out on " Contract" or " Farming" for terms varying from fifteen years to one. The State can not by its treaty with the Suzerian government levy any export or import duties on goods and merchandize going out of or coming into Sikkim. The income derived from licensing such as cigarettes, etc., is considerable. Forests, court fees and registration of document yield also an appreciable income.

Application of Revenue- the budget is framed annually and assigns most of the income of the year to the well being of the people. The provision of public roads and public buildings consumes the bulk of the revenue. In a hilly country where rainfall is so heavy (about one hundred and forty inches on the average annually) it is indeed no small task to keep pathways open to traffic in all weathers and seasons. Besides public works education, medical relief, law and order are allotted a fair share of the public funds.

State Advisory Council

His Highness' State Council consists of 9 members who are nominated representatives of all interests and of every caste and creed in Sikkim they are old experienced men drawn from all parts of the country and help the administration with their same views and sound advice. They meet generally thrice a year, criticize the budget which invariably goes through this council for the final sanction of His Highness. The prerogative of the Ruler of pass any order independently of the council is well understood and expressly recognized. The personnel of the State council stands as follows:

Non-official members

1. Tassang Lama of Pamiongchi Monastery.
2. Rai Saheb Ratnabhadur Praadhan of Rhenock estate.
3. Rai Saheb Balkrishna Kasanu
4. Rai Saheb HAriprasad Pradhan of Rateypani and Sumbuk estates.
5. RAi Saheb Tashi Dadul Kazi of Bermiok estate.
6. Kazi Tenzing Namgyal of Namchi estate.
7. Rai Saheb Rup Narain, B.A.,LL.B, Chief Judge
8. Mr. Bagsingh Karthak, General Secretary (Offg.).
9. Rai Saheb Rhenock Kazi sonam Dadul.
Official Steward Incharge of the Palace Affairs.

Special session of council is held at any time of the year for urgent and emergent matters.

Revenue and Finance

Revenue Receipts- The actual receipts of revenue during the year amounted to Rs. 4,98,359 as against Rs. 4,79,574 of the previous year. The opening balance was Rs. 22991 only of the commencement of the year. A comparative Statement if revenue is given below which shows the receipts for the year under in round figure of hundreds and over rupees.

Major Heads	Revenue and Receipts			
	Actuals		Increase	Decrease
	1935-36	1936-37	+	—
I. Land Revenue	1,65,500	1,54,400	-	11.300
II. Household Taxes	92,100	78,500	-	13.600
III. Excise Revenue	81,200	1,05,000	23,800	-
IV. Mines and Minerals	-	-	-	-
V. Stamps	7,000	8,000	1,000	-
VI. Assessed Taxes	22,900	30,300	7,400	-
VII. Forest Revenue	21,300	28,900	7,600	-
VIIA. Treaty Payment	12,000	12,000	-	-
VIII. Law and Justice	5,400	5,200	-	200
VIIIA. Education	1,500	1,200	-	300

IX. Police	1, 400	1, 600	200	-
X. Jail	-	-	-	-
XI. Public works	7, 300	7, 100	-	200
XII. Medical and Sanitation	300	500	200	-
XIII. Printing and Stationery	2, 000	3, 300	1, 300	-
XIV. Agriculture and Industries	2, 300	3, 400	1, 100	-
XV. Interest	48, 800	48, 400	-	400
XVI. Miscellaneous	8, 600	10, 600	2, 000	-
Total Revenue Heads	4, 79,600	4,98,400	44,600	25,800

Arrears outstanding- At the close of the year the following revenues were outstanding:-

Land rent	...	Rs.1, 14, 864
Cardamom Contract fees	...	Rs. 3, 764
Household taxes...	...	Rs. 1, 15, 676
License fees of excise shops	...	Rs. 54, 165
Orange Contract fees	...	Rs. 12, 532
Timber and drift wood contract fees		Rs. 561
Firewood and charcoal contract fees		Rs. 1, 344
Bazar Contract fees	...	Rs. 5, 178
Hide contract fees	...	Rs. Nil
Slaughter house contract fees	...	Rs. 136
Surti contract fees	...	Rs. Nil
Grazing contract fees	...	Rs. Nil
	Total	<u>Rs. 3, 08, 220</u>

Loans and advances – The total receipt under this head was Rs. 79, 410/- which represents the following items viz:- proceeds of fixed deposit with banks (Rs. 50, 000/-); repayment of other loans (tacavi) (2,114); Suspense deposits (Rs. 9, 567); objection

book advance (Rs. 8, 692); recoupment of pension advance 9 Rs. 5, 581); refund of public works Department miscellaneous advance (Rs. 1209); recoupment of value of service postage stamps 9 Rs. 2, 247).

Expenditure – the total expenditure during the year was Rs. 4, 68. 471 as against Rs. 4, 50, 679 in the previous year and the closing balance was Rs. 12, 313. The following statement compares the expenditure for the year with that of the preceding year:-

Major Heads	Revenue and Receipts			
	Actuals		Increase +	Decrease —
	1935-36	1936-37		
I. Revenue Refunds	10, 100	7, 900		2, 200
2. Civil List	82, 700	79, 400		3, 300
3. Palace Establishment	11, 700	13, 700	2, 000	
4. Revenue and General	26, 100	27, 600	1, 500	
5. Forest	16, 100	16, 300	200	
6. Excise	2, 900	3, 200	300	
7. Police	24, 600	24, 400		200
8. Law and Justice	17, 800	18, 600	800	
9. Jail	5, 300	5, 400	100	
10. Monasteries	9, 800	8, 600		1, 200
11. Printing and Stationery	4, 200	3, 700		500
12. Education	28, 800	29, 200	400	
13. Medical and Sanitation	41, 800	56, 000	14, 200	
14. Public Works	1, 36, 300	1, 43, 300	7000	
14.A. Electric Charges	8, 800	5, 200		3, 600

15. Agriculture and Industries	2, 700	4, 100	1, 400	
16. Accounts	13, 200	15, 100	1, 900	
17. Post Office	100	-	-	100
18. Miscellaneous	7, 700	6, 800		900
Total Expenditure	4, 50, 700	4, 68, 500	29, 800	12,000

Chamber of Princes – His Highness the Maharaja Sahib has withdrawn from the membership of the chamber of Princes with effect from the 25th March 1936. However the annual subscription of Rs. 800/- per annum towards the maintenance of the Chancellor’s Secretariat for the year 1936 was paid in July 1938 together with the subscription for 1937 and 1938 by debiting the charges to 2 Civil List- Delhi Durbar..

A sum of Rs. 500/- was paid as lump sum gratuity to Head Warder Janglal Rai on his retirement from the Durbar service. The charges was debited to miscellaneous unforeseen charges to miscellaneous unforeseen charges.

A sum of Rs. 220/- was paid as gratuity to the widow of late compounder Lobzang Mingyur by debiting the charges to miscellaneous Unforeseen charges.

A sum of Rs. 500/- was paid as gratuity to the members of the family of late Kayzong Kazi Translator, General Department. The charges was debited to miscellaneous unforeseen charges.

A sum of Rs. 100/- was provided from Miscellaneous unforeseen charges to meet expenditure in connection with the opening ceremony of the New Reshi Bazar.

A sum of Rs. 100/- was provided from Miscellaneous unforeseen charges for clearing jungles at Deorali camping ground.

Audit of the Sikkim state accounts by the Inspecting staff of the offices of the Accountant General, Bengal- As already arranged the accounts of the Sikkim durbar for the period from the 1st April 1933 to the 31st March 1935 were locally audited by the Inspecting staff of the office of the Accountant General, Bengal under the supervision of Mr. M.K. Sanyal, Assistant Accounts Officer, during the period from the 19th May 1936 to the 4th June 1936. The cost of the audit which was recovered from the Durber amounted to Rs. 1536.

Loans and advances- the total expenditure under this head amounts to Rs. 1, 19, 976 which represents items of suspense accounts, tacavi loan, advances and deposits including investments. The following details show the expenditure incurred during the year under different heads:-

Fixed deposit with banks	Rs. 95, 000
Refund of suspense deposit	Rs. 13, 421
Permanent advance	Rs. 50
Objection book advance	Rs. 560
Miscellaneous advance	
Public Works Department	Rs. 1, 573
Pension advance	Rs. 7, 172
Value of service Postage Stamps.	<u>Rs. 2, 200</u>
Total	<u>Rs.1, 19, 976</u>

Owing to non-payment of the State revenue on due date difficulty was experienced during the year to arrange funds for the administration. In order to regularize the monthly expenditure temporary overdrafts on the Banks were taken to the extent of the amount required every month.

Government Pensions – the disbursement of government pensions through the Durbar to Government pensioners residing in the State was continued during the year.

Personnel. Mr. Manbir Singh continued to hold the office of the financial Secretary to His highness for the whole year except 2 months and 19 days while he was on leave on average pay with effect from the 31st July 1936 to the 19th October 1936. During his leave Mr. Dilman Singh officiated for him as Financial Secretary.

Office staff- Mr. Dilman Singh Head Clerk and Accountant with 5 subordinate clerks. Mr. Dhanbir Roy, Auditor with one Assistant.

Co-operative Credit Societies 1936 - 37

There were two co-operative Credit societies in the State during the financial year of 1936-37, under review, at Rhenock and Amba, under the chairmanships of Rai Sahib Ratnabhadur Pradhan and Babu sherbhandur Pradhan, respectively.

Number of members- there were 204 against 229 of the last year 1935-36.

	Previous year	Present year
Rhenock	141	146
Amba	88	58
Total	229	204

The management of the works of the societies during the year, under review, shows to be satisfactory.

The Chairman of the Amba co-operative Credit Society, reports, under date the 19th April 1937, that in order to wire up the Society, he has submitted all the account Books.

Registers etc., together with list of debtors of the society to the chief Court for recovery of the loans payment towards the State Loan account. The chief court is taking necessary action for recovery of loan from the debtors. The defunct society of Gangtok, whose liability was Rs. 651-0-6 last year, was unable to reduce it during the year, therefore the liability stood at the same amount on the 31st March 1937.

Revenue account- The total receipts of the two societies, including opening balances was Rs. 9, 604 – 0- 9 and the expenditure amounted to Rs. 8, 899 – 14- 6 and the closing balance was Rs. 704/2/3 which represent the balance of the Rhenock Society only and carried over to the following year's accounts.

State Loan accounts- Total of Loan granted to the two Societies stood in the 31st March 1937 at Rs. 10, 100/- ; viz: Rhenock Rs. 4, 100/- and Amba Rs. 6, 000/- Owing to the economic depression, the Societies could not reduce their liabilities to the State during the year ending 31st March 1937.

Interest paid to the Depositors of the Societies and on the State Loan during the year by the societies amounted to Rs. 2, 074/10/6 against Rs. 1, 292=0-3 of the previous year viz:- Rhenock – Rs. 1,227-11-6 Amba – Rs. 846-15-0.

The two societies Loan accounts with the members stood at Rs. 21, 570-0-6 and the liabilities, including State Loan and deposits from members amounted to Rs. 16, 933-7-0 against Rs. 21, 663-0-6 and Rs. 18, 060-14-0 respectively of the previous year.

Reserve Fund- total amount under this head amounted to Rs. 10, 196-9-6 against Rs. 9, 665-10-3 of the last year. As there are no sound and profitable concerns in the Sikkim State for investment of the reserve funds of the Societies, they have no other alternative, but to invest the funds in the shape of 'Loans and advances' to the members of the Societies of good standing, means and position.

The statement of financial position and abstract of receipts and Expenditure for the year ending 31st March 1937 of the societies are given in the Appendix VII attached.

1937- 38

Revenue and Finance

Revenue Receipts- the actual receipts of revenue during the year amounted to Rs. 5, 13, 626 as against Rs. 4, 98, 359 of the previous year. The opening balance was Rs. 12, 313 only at the commencement of the year. A comparative Statement of revenue is given below which shows the receipts for the year under different heads of revenue and those of the preceding year in round figures of hundreds and over rupees.

Major Heads	Revenue and Receipts			
	Actuals		Increase +	Decrease —
	1936-37	1937-38		
I. Land Revenue	1, 54, 400	1, 67, 500	13, 100	
II. Household Taxes	78, 500	84, 500	6, 000	
III. Excise Revenue	1, 05, 000	1, 02, 900		2, 100
IV. Mines and Minerals	-	100	100	
V. Stamps	8, 000	6, 100		1, 900
VI. Assessed Taxes	30, 300	31, 200	900	
VII. Forest Revenue	28, 900	21, 900		7, 000
VIIA. Treaty Payment	12, 000	12, 000	-	
VIII. Law and Justice	5, 200	7, 000	1, 800	
VIIIA. Education	1, 200	1, 200		
IX. Police	1, 600	1, 900	300	

X. Jail	-	100	100	
XI. Public works	7, 100	6, 200		900
XII. Medical and Sanitation	500	7, 700	7, 700	
XIII. Printing and Stationery	3, 300	1, 700		600
XIV. Agriculture and Industries	3, 400	500		2, 900
XV. Interest	48, 400	48, 000		400
XVI. Miscellaneous	10, 600	13, 100	2, 500	
Total Revenue Heads	4, 98, 400	5, 13, 600	32, 000	16, 800

Arrears outstanding- At the close of the year the following revenues were outstanding :-

Land rent	...	Rs. 1, 30, 796
Cardamom contract fees	...	Rs. 1, 762
Household Taxes	...	Rs. 1, 21, 956
License fees of excise shops	...	Rs. 51, 958
Orange contract fees	...	Rs. 11, 757
Timber and drift wood		
Contract fees	...	Rs. 448
Firewood and charcoal		
Contract fees	...	Rs. 1, 344
Bazar contract fees	...	Rs. 4, 000
Hide contract fees	...	Rs. Nil
Slaughter house contract		
Fees	...	Rs. 243
Surti contract fees	...	Rs. Nil
Grazing contract fees	...	Rs. 75

Total Rs. 3, 24, 339

Loans and Advances – The total receipt under this head was Ts. 1,10, 244 which represents the following items viz:- repayment of loan by cooperative credit societies at Rhenock (Rs. 500/-) ; proceeds of fixed deposit with banks (Rs. 85, 000 0 ; repayment of other loans (tacavi) (Rs. 1, 067); suspense deposits 9 Rs. 11, 268); repayment advance 9 Rs. 50) objection book advance 9 Rs. 705); recoupment of pension advance (

Rs. 7909); refund of Public works Department miscellaneous advance (Rs. 1298); recoupmnt of value of service postage stamps 9 Rs. 2, 429).

Expenditure- The total expenditure during the year was Rs. 4, 98, 814 as against Rs. 4, 68, 471 in the previous year and the closing balance was Rs. 46, 921. the following statements compares the expenditure for the year with that of the preceding year:-

Major Heads	Revenue and Receipts			
	Actuals		Increase +	Decrease —
	1936-37	1937-38		
I. Revenue Refunds	7, 900	5, 900		2, 000
2. Civil List	79, 400	77, 800		1, 600
3. Palace Establishment	13, 700	14, 700	1,000	
4. revenue and General	27, 600	27, 300		300
5. Forest	16, 300	17, 800	1, 500	
6. Excise	3, 200	3, 300	100	
7. Police	24, 400	27, 500	3, 100	
8. Law and Justice	18, 600	17, 900		700
9. Jail	5, 400	5, 600	200	
10. Monasteries	8, 600	6, 100		2, 500
11. Printing and Stationery	3, 700	4, 800	1, 100	
12. Education	29, 200	30, 600	1, 400	
13. Medical and Sanitation	56, 000	56, 300	300	
14. Public Works	1, 43, 300	1, 66, 500	23, 200	
14. A. Electric charges	5, 200	5, 100		100
15. Agriculture and Industries	4, 100	7, 300	3, 200	

16. Accounts	15, 100	13, 600		1, 500
17. Post Office	-	100	100	100
18. Miscellaneous	6, 800	10, 600	3, 800	
Total Expenditure	4, 68, 500	4, 98, 800	39, 000	8, 700

Chamber of Princes – The annual subscription of Rs.. 800/- towards the maintenance of the Chancellor’s Secretariat for the year 1937 as paid in July 1938 together with the subscription for 1936 and 1938 by debiting the charges to Civil List- Delhi Durbar.

A sum of Rs. 200/- was paid during the year on account of contribution towards the King Emperor’s birth-day celebrations.

Loans and Advances – The total expenditure under this head amounts to Ts. 90, 428 which represents items of suspense accounts, tacavi loan, advances and deposits including investments. The following details show the expenditure incurred during the year under different heads:-

Fixed deposit with banks	...	Rs. 70, 000
Refund of suspense deposit	...	Rs. 10, 408
Objection book advance	...	Rs. 100
Pension advance	...	Rs. 6, 342
Miscellaneous advance		
Public works Department	...	Rs. 1, 178
Value of Service Postage stamps		<u>Rs. 2, 400</u>

Total Rs. 90, 428

Owing to non-payment of the State revenue on due dates difficulty was experienced during the year to arrange funds for the administration. In order to regularize the monthly expenditure temporary overdrafts on the Banks were taken to the extent of the amount required every month.

Government Pensions- The disbursement of government pensions through the Durbar to government pensioners residing in the State was continued during the year.

Personnel- Mr. Manbir Singh continued to hold the office of the Financial Secretary to His highness for the whole year except 11 days while he was on leave on average pay

with effect from the 10th to 20th December 1937. During his leave Mr. Dilman Singh officiated for him as Financial Secretary.

Office staff- Mr. Dilman Singh Head clerk and
Accountant with five subordinate clerks
Mr. Dhanbir Roy Auditor with one Assistant.

Co-operative Credit Societies 1937-38

There was one Co-operative Credit Society at Rhenock in the State during the financial year of 1937-38, under the chairmanship of Rai Sahib Ratna Bahadur Pradhan.

Number of members – There were 152 members against 146 of the last year 1936-37.

The management of the works of the society during the year, under review, appears to be satisfactory.

The defunct society of Gangtok, whose liability was 651/-/6 last year, and was unable to reduce the same during the year, therefore the same amount stood on 31st March 1938.

Revenue account- Total receipt of the Society, including opening balance was Rs. 3, 932/15/- and the expenditure amounted to Rs. 3, 492/7/9 and the closing balance Rs. 440-7-3 carried over to the following year's account.

State Loan account - the loan granted to the Society stood on the 31st March 1938 at Rs. 3, 600/- against Rs. 4, 100/- of the last year.

Interest paid to the Depositors of the Society and on the State Loan during the year amounted to Rs. 421- 2- 3 against Rs. 1, 227-11-6 of the previous year.

The Society's Loan account with the members stood Rs. 15, 327-8-6 against Rs. 15, 068-2-6 of the previous year and the liability Rs. 9, 93 8-0-6 against Rs. 10, 663/7/- of the previous year, respectively.

Reserve Fund – Under this head there was Rs. 8, 782-0-3 against Rs. 8, 309-14-6 of the previous year. As there are no sound and profitable concerns in the Sikkim State for investment of the reserve fund of the society, therefore the society have no other alternative, but to invest the fund in the shape of “Loans and Advances” granted to the members of the society of good standing means and position.

The Statement of financial position and abstract of Receipt and Expenditure for the year ending 31st March 1938 of the Society are given in the appendix VII attached.

CHAPTER IV

Main Heads of Revenue Land Revenue

Personel- Mr. B. Kartahk, General Secretary (Offg).
To His highness the Maharaja of Sikkim

Revenue Inspectors:-

1. Babu Lal Behari Thapa
2. Babu Narsinghdass Praadhan

Surveyors:-

1. Randhoj Singh chhetri
2. Dhojman Rai

Office Staff:-

Babu Basingh Kartahk, Head Clerk and five
Subordinate Clerks.

Basis if Land rights:- every inch of land in the State, , broadly speaking belongs to the Sirkar, i.e. the Government of the country. The rights if the raiyats are fixed and secure and are governed by the State Notifications and custom. The raiyat deriving his title from the Sirkar i.e. the ruler, regards his land fully as private heritable and saleable and otherwise transferable property. The complexity of the land revenue system of the State and the nature of leases issued to the various Landlords in the working of that system can be appreciated only when it is fully realized that the theoretical owner, viz, the Sirkar may be presumed to have demised the land to the individual proprietors of different holdings, subject to the land laws of the State.

Revenue Settlement:- There has not been so far any scientific survey of Sikkim for the purpose of revenue settlement and preparing of records. There are thus no registers in effect constituting a record of rights.

Classification of Tenure:- Besides the fully private heritable saleable and otherwise transferable tenure of the properties there exists in the country, the tenancy tenure known locally as “ Kutias” but for the purpose of assessment the State ahs no dealings with the “ Kutias”. Such tenancy tenures may be classified into (i) those who pay rent in the shape of a division of produce 9 locally known as “ Adhiya”) or (ii) those tenants who pay fixed rent as may be determined by contract in the form of “ Kind” or “ cash” 9locally known as “ Kutias”.)

Method of Assessment- The assessment of “wet” (paddy) and “dry” (maize, etc.) land is fixed on an acreage basis, and as there has been no survey or scientific measurement of land, an acre is determined by the seed or sowing capacity of the land. The assessment on cardamom and orange plantations is fixed on a value basis if the yield. In fixing the assessment care has been taken to provide for the lean years and ordinarily no remission is allowed for failure of crops due to drought or excessive rainfall.

Form or Taxpayment:- Formerly tax used to be collected in kind (a system known as Bishpanja) but since very many years, practically from the time the State fell under British Super-intendancy in 1887, all taxes are collected in cash.

Land Revenue Administration:- As stated above the State does not collect any of its taxes through its departmental agency and land revenue tax through its departmental agency and land revenue tax is raised from the raiyots through middlemen known as landlords. Every inch of the country is parceled into various estates, both big and small, which are leased to influential people for a fixed term and on conditions mentioned in the lease. These Landlords or leases pay to the Sirkar a fixed sum calculated at a rate per acre which varies according to the conditions of the State leased. They are authorized by virtue of the term of the lease (which are identical) to realize land revenue tax from the raiyots of the Estate on affixed and certain assessment the expense of realizing are incurred by the lessees themselves. The Estate leases were issued by the durbar in 1925 for a period of 15 years. In the event of the death of a lessee during the term of his lease, the State has undertaken to renew the lease in favour of one of his heirs only in the male line of lineal descent and failing that of the duly recognized adopted of the lessee if any.

The leases are not transferable without the express consent of the State in writing and are determinable at any time during the continuance of the period for which they have been granted, if the State at any time elects to change its land revenue system.

For full particulars of the conditions and terms of the Lease see Appendix V.

There are 104 Estates in Sikkim, of which 13 were managed by Managers appointed on commission by the State.

Generally Managers are selected from any of the neighbouring Landlords and the systems of collection of land revenue adopted by these Managers in the same lines as that of the lessees. The Estate is divided up into convenient blocks, each block being in charge of a Mandle.

Fifteen Estates from the Private Estates of His Highness the Maharaja of Sikkim. Five Estates land tax goes to the up-keep of the five big monasteries of Sikkim.

Of the Landlords on the State 21 are “Kazis” (a term denoting aristocracy in lineage among the Tibetan magnates of Sikkim), six are “Butias” (a term applied to all Tibetans of Sikkim who are not Kazis).

Eight are Lepchas (a tribe said to be the original inhabitants of Sikkim).

Thirteen are Nepalese and one a domiciled Plainsman.

For a detailed list Estates and their extending and more and more demands for throwing open reserved for forests continue to come in mostly from Nepali settlers, and it appears that the country has been fully colonized as far as it could be. Further settlement of raiyots could only be possible at the sacrifice of Forest reserved areas.

A portion of the country lying in the Tista Valley of Dickchu has not been thrown open to Nepali settlers and is specially reserved for the hereditary inhabitants of Sikkim such as Lepchas, Bhutias. Recently Tamang and Sherpas who are Nepalese Buddhists were allowed to settle there and own land.

Distribution of Land – Statistics are under compilation of the total area under occupation of wet, dry and garden lands, as possessed by the different classes of people inhabiting Sikkim. The Government does not encourage the acquisition of vast holdings and has set a limit of the maximum acreage a proprietor may possess. Ordinarily a raiyot is not permitted to acquire more than twenty acres of cultivable land. In the case of Mandals of the various blocks of an Estate, this maximum may go up to thirty acres whilst the lessee may not acquire more than one hundred acres and his son or brother separate in interest from him can only reach a maximum of fifty acres. Members of family not separate in interest from the head of the family were not deemed to be able to acquire landed property in their own names in excess of the limit fixed for the head of family. Sikkim thus essentially is a country of peasant proprietors of small holdings.

A law prohibiting land alienation by hereditary State subjects, (i.e., Bhutia, Lepcha), in favour of non-hereditary subjects such as Nepalese or domiciled plainmen is in force and acts as a very useful check on the former class, which is poor and improvident, being speedily replaced by the latter, who are more subtle and shrewd. Civil courts were also debarred from sanctioning sales of land belonging to hereditary subject in favour of non-hereditary subjects in execution preceding (whether money or revenue suits), without the express sanction of the Darbar.

Sale of Land by Government – the State has not up to now followed the policy of the sale of crown land, A free grant of such land is allowed to all Nepali immigrant who care to settle in the country and reclaim the soil from its jungle. A nominal sum of Rs. 1-4-0, called “ Chardam” is usually paid to the Mandal of the block in which new land is reclaimed by the intending settlers. An emigrant for good, has no lien left on the land he possessed once, if he has taken care to ensure the payment of land revenue tax assessed on the land. Such an area is deemed to be abandoned and lapses to the Crown. It is opened to be re-allotted to any other fresh settlers on the usual payment of “ Chardam”

House Tax - The houses in the State are all numbered and a uniform tax of Rs. 6-12-0, per house per annum is charged from all such houses which are not situated within “ A class Bazaar” areas. This tax is gathered through the agency of Estate Lessees who are paid Re. 1-12-0, per house for this service. A number of houses whose occupiers are too

indigent to pay this tax has been exempted. This house tax was formerly consisted of following taxes:-

1. Excise tax Rs. 2/-
2. Labour tax Rs. 2/12/-
3. Road Cess Rs. 0/6/-, which were incorporated into a house tax, when the house ticket system was introduced into the State in 1992.

Inspection of Estates – The Revenue Inspectors are expected to visit every Estate quarterly in a year.

Land records Maintained – The only land record maintained by the State is the register showing the number of houses and their owners for the purpose of house Tax. It was correctly maintained and all changes happening during the year were duly incorporated.

Mises – Kazi sonam Wangchuk, son of late Yangthang Kazi, was allowed to manage the affairs of Yangthang and other estates on the same condition as were granted to the Joint Manager, Rai Sahib Kazi Tashi Dadul and Kazi Tenzing Wangyal till the arrear Khazana outstanding against the estates is cleared up.

Miscellaneous 9a) Babu Hiralal PRAadhan, joint landlord of Sumbuk and Rateypani estates died on February 1936. his eldest son, Babu Bhuwan Prasad Pradhan was recognized by the Darbar as his successor.

(b) With effect from the 1st April 1936, Taza estate was palced under the direct management of the State due to the mis-management affairs of the estate by Babu Harimohan Pradhan, joint landlord of the estate.

(c) With effect from the 8th April 1936, Kazi dorji Dadul, elder son of Song Kazi, was permitted to manage the affairs of his father's estate.

(d) It has been decided by the Darbar thata widow or a female in Sikkim, of a landlord or bustiwalla's family should be held fully competent to inherit or succeed in absence of male heir in the family, the home farms and other private movable and immovable properties of deceased landlord or a bustiwalla as the case may be and that a Neither by a landlord or a bustiwalla in respect of the disposal of the properties both movable and immovable should be considered valid.

(e) It has been decided by the Sikkim Darbar to apply sections 370, 371 and 374 of the Indian Penal Code in Sikkim territory and is also been ordered that compulsory labour adequately paid on standard scale 9 locally called “ Jharlangi”) should be restored to only when port is required for any administrative purpose. Rules for regularization of the imposition house tax in Sikkim State was enacted by the Darbar for the guidance of landlords and Managers of estate.

(f) In consideration of the present economic condition of the bustiwallas owing to the general trade depression and epidemic, all Landlords and the Managers of estates of

Sikkim were granted an extend of time till the end of December for the payment of all rents which should have been paid by the 31st March.

(g) with effect from the 11th January 1937, Karma Wangchuk Lama of Chang Ching Lama, Landlord of Rayong estate, was permitted to manage affairs of his father's estate.

(h) With effect from the 1st April 1937, the contract for the collection of the tax on orange gardens at the rate of four annas per thousand on oranges in Sikkim territory was given out to BABU Sada Sukhdass Marda for a period of 4 years on an annual payment of Rs. 9001/-

(i) With effect from the 1st April 1937 the contract for collection of the State cardamom rent charged on the yield of cardamom grown in the State was given out to Babu Sada Sukhdass Marda for a period of 4 years on an annual payment of Rs. 55001/-.

(j) with effect from the 24th June 1937, Rinchenpong estate was restored to Thikadar Parmaraj Gurung on his making good the arrear khazana outstanding against the estate.

(k) With effect from the 24th July 1937, Babu KAshiraj Pradhan was granted permission to manage the affairs of Western Pendam and Temi estates on behalf of his elder brother Babu Khusnarain Pradhan.

(l) With effect from the 9th November 1937, Kewsing estate was restored to Bidur Kazi on his making good the arrear khazana outstanding against the estate.

(m) Singhi Mangay Kazi was recognized by the Darbar as heir of the late Pendam Kazi.

(n) with effect from the 4th March 1938, Sakyong estate leased out to Lachung Kazi was placed under the direct State Management until the Sakyong succession case is finally decided by the Darbar.

(o) In exercise of the powers conferred by sub- section (1) of section 262 of the Government of India Act, 1935, the Governor General in Council is pleased to declare that the subjects of the Sikkim State shall be eligible to hold the civil offices in India, under the administrative control of the External Affairs Department, provided they are eligible in other respects.

The relay of the Sikkim-Bhutan-Darjeeling boundary for the portion lying between Rechila and the Chootung Chu was done by Major C.B. Sexton, Bengal survey.

(p) With effect from the 31st March 1938, Kazi S.L. Dowgyatso was recognized the Darbar as landlord of Rinchenpong (Tadong) estate vice his deceased brother Kazi S.L. D. Gerab.

Annual Administration Report for the year 1937/38

Judicial Department

Personnel :- Rai Sahib Gyaltzen Kazi, judicial Secretary to His Highness the Maharaja of Sikkim

Office Staff:-

Babu Sonam Tsering, Head Clerk, and five subordinate clerks.

Income Tax

The total number of assesses rose from 431 to 460 of these 366 are individuals and 94 firms of Marwaries trading in Sikkim.

The revenues derived from this source was 5, 690/- as against Rs. 5425/- in the previous year.

There were 4 appeals against the assessment proposed by the Income-tax department of which not a single was successful.

The system of income-tax assessment followed in Sikkim is that is recommended by the Auditor to the Government of Bengal in 1912-13, viz; Re. 1/- per 1000 on the value of scales by a trader and five per rupees on the interest accrued to a money lender is levied on account of this tax.

Excise Revenue

Personnel:- Babu Chelnum Tsering, Excise- sub- Inspector
Babu Chatur Singh Rai, Excise-sub- Inspector

Source of Revenue- the excise revenue is derived from licenses for the manufacture and sale of two kinds of country liquors, from foreign liquor or cigarettes, opium and its derivatives ganja and tobacco.

Excise System- There are two kinds of country liquors consumed by the people, Janr' which is ferment of millet and a very light beverage is mostly consumed by the Tibetans and forms their national drink. The manufacture of it for individual consumption in the household, is not prohibited, but the sale except by licensed vendor is forbidden. This

system of local distillation of liquor from is reintroduce in 1932/33. both the manufacture and sale of this kind of liquor, except by licensed vendors, is prohibite.

Abkari Policy – The system of sale is what is known as the ‘ independent shop’ system and there is no forming monopoly for the whole State. The rights to vend ‘ Kutcha’ and ‘Pucca’ liquors (as the two kinds are respectively called) are separate and are sold by sanction shop by shop. Both in the uses of ‘kutcha and pucca’ liquor the right of manufacture as well as that of sale is with the shopholder. The government reserve to themselves the right to fix the number and location of shops in any area.

It is unfortunate that the habit of liquor on exemption is very widely spread in the State but it would b an entirely errorness view to hold hat the unwholesome demand would automatically if the State were to forego the reverse. It ought to be recognized that sources of illicit supply the easily accessible in the country and it does not require much technical skill to fermant ‘ kodo’ (millet) the trick being known to practically every housewife.

State intervention only operate to the quantity and quality of liquor consumed, the former by the prescription of certain standards and the latter by restricting hours of sale.

Abkari Contract :- The contracts for the sale of “Kutcha and ‘ Pucca’ liquors are entered into every year in March and run from 1st April to 31st March. During the year under report, a total bid of Rs. 75498/ was got from the auction of these contracts.

‘Janr’- The total number of ‘ Kutcha’ liquor shops was 35 year; the supply rate of annas two per ‘ Chung’s’ a measure containing about 1 seer ‘Janr’ continued to be the same as in the past years.

‘Pucca’ – The strength of liquor and rates of male are Re. 1/- per bottle of 20 U.P. strength: As. / 8/-per bottle of 50 U.P. and As.- /4/- per bottle of 70 U.P. strength. The total number of ‘Pucca’ guddien (shops) was 72.

Foreign Liquor – The quantity of foreign liquor imported into the State during the year was approximately 283 gallons .

Licenses were issued as in the previous year. The total collections under license fees on foreign liquor amounted to Rs. 635/-.

System of sale of Ganja and Opium- The soupy to the vendor contractors was made through the Department, the opium and ganja required being purchased from the Bengal Stores and issued stores at Darjeeling . the issue price of opium continued to be Rs. 91/- per seer and that of ganja to be Rs. 45/- per seer including duty.

Opium and Ganja where sold in 6 shops during the year under report. The average retail selling prices per tola of opium and ganja were Rs. 2/- and Rs. 1/- respectively. The total collection under opium and ganja amounted to Rs. 635/-

Abkari revenue – The total demand for the year was Rs. 75498/-

For details see Appendix VII.

Tobacco and cigarettes – There is a farming monopoly of the sale of cigarettes in Sikkim. During the year under report Messrs Sheokaran Dass Bajrang Dass held the monopoly for Rs. 11800/-. The retail sale is managed by the monopolist and he is allowed to charge his own prices.

The contract for the collection of an approved tax on tobacco (whether imported or indigenous) was given out to Messrs. Purukchand Likhuichand Kalimpong at Rs. 4111/- for one year.

Excise Offences – The number of cases investigated by the Excise Department was 2. All cases were challenged before the court and all of them ended in conviction.

Stamps

The State does not manufacture its own stamp in any State Stamp Manufactory, but imports from England on the whole is simple in nature. The courts in Sikkim follow the British law of India as their guide and commonsense is their procedure code.

Technicalities of procedure, evidence and a hard and fast limitation law are not observed.

The Civil Litigation was normal during the year under notices. Majority of suits were of the nature of small causes. The average of monthly execution applications was 337.

Criminal side- There were no outstanding cases of any importance. The worst crime consists of theft of a few ornaments or eatables from the solitary houses of the agriculturists. There was 56 cases of kidnapping of girls amongst the Nepalese. It appears certain members of that community presumed that marriage after lifting the 2nd party by force from her guardian's house did not constitute any moral obliquity.

For details see Appendices IX to XII.

Female offenders and Juveniles – The number of female offenders involved in the cases for disposal during the year was nil and the number of juveniles tried was nil.

Appellate – The Chief court of Sikkim has reciprocal arrangements with British India for the execution of its decrees and services of its process under section 444 of the Civil Procedure Code of British India.

The Chief Judge scrutinizes the quarterly inspection reports of the Adda sent in by the Revenue Inspectors and modifies lower court's decisions where interference is called for. The appeals against the orders of the Adda courts are generally not frequent, as they take up only petty cases and try bring about compromises. There were only 22 appeals lodged

during the year and the work if the lower courts was found on the whole quite satisfactory.

Supreme Court

The court of his Highness the Maharaja forms the last court of Appeal in the State and has no original jurisdiction.

Appendices XII and XIV show the statistics of the appeals entertained. Durbar courts have no jurisdiction in the trial of criminal cases against British subjects residing in Sikkim.

The Political Officer who holds the first jurisdiction may, however, waive the right of trial in favour of the Durbar. In civil Litigation the plaintiff if a British subject has a choice of the for. He may either take his case to the Political Officer Courts or to the Durbar's court. As a matter of practice, the Political Officer is too busy in office to entertain in his court the petty litigation to found in Sikkim. He exercises the powers of a District Magistrate and District Session Judge, and no appeal lies against his orders except in certain classes crimes. In cases where the Political Officer has waived his right of trail in favour of the Durbar has no further interest.

Administrative report on the of the Sikkim State Police Force for two years 1936-37 and 1937-38- Chapter VI

Protection ----- Police

1936-37 A& 1937-38

1. Personnel- 1. Kazi Yonton Gyatso, Senior S.I.
2. Babu dhanbahadur gurun A.S. I. P
- 2 Strength - The total strength of the force during the years was 3 Sis .P, 5 A. S.Is. P, and 60 ranks and files.
3. Recruitment- 5 recruits were appointed as constables during the years after due verification of their characters and antecedents.
4. Complaint against Police Officers- 8 members of the force were prosecuted in the Court and 12 were awarded punishment departmentally. All of them were retained in the service.
5. Crime - The following table shows the grave crimes reported during the years.
Murder. 3.
Culpable homicide. 1.
Dacoity. Nil
Robbery. 110.
Theft. Nil.

House breaking with theft. 2

The total number of cognizable cases for disposal was 207 of these 3 were referred as false 13 as undetectable and 40 not investigated being too trivial under section 157- cause 1 para (b) Cr. I. c.

The Prosecuting Inspector handed 273 cases of which 194 were successful in the Court. The number of arrests made by the Police during the year was 295. In addition to their legitimates duty the police also serve processes of both civil and criminal courts.

6. Efficiency measures- Close touch was maintained with the British Police and their co-operation was cordial.