

5. But still the ownership rights were vested with the individual peasants thus Farmers had right to sell or mortgage their property.
6. The village community did not necessarily mean entire village population. It was a group of elders, notables of high castes.
7. A village inhabitant, called the Lambardar, collected the amounts and gave to the British
8. British periodically revised tax rates.

Consequences

1. Since Punjab, Northern India had fertile land. So British wanted to extract maximum Revenue out of this region. Land Revenue was usually 50% to 75% of the produce.
2. As generations passed, fathers divided land among sons which resulted in fragmentation of farms and farms became smaller and smaller thus productivity declined. But still British demanded Revenue in cash. So, farmers had to borrow money to pay taxes in the case of crop failures.
3. As a result, more and more farms passed into the hands of moneylenders. When farmer failed to repay debt, Moneylender would take away his farm but he has no interest in self-cultivation so he would be leasing it to another farmer.
4. Thus, sub-leasing, indebtedness and landlessness became more and more common in Mahalwari region.

Mahalwari was also called Modified Zamindari system because in Mahalwari areas, the Land revenue was fixed for the whole village and the village headman (Larnbardar) collected it. Meaning theoretically Village itself was a landlord/zamindar. Other names for this system were Joint rent, 'joint lease', 'brotherhood' tract (mahal) holding and 'gram wari' etc.

7.5. Police administration

1791 Cornwallis organised a regular police force to maintain law and order and to modernise the old Indian system. He established Thanas (circles) in a district under a Daroga (an Indian) and a superintendent of police as the head of a district. He relieved the Zamindars of their police duties.

In 1808 Lord Mayo appointed an SP for each division helped by a number of spies but these spies committed plundering on local people.

In 1814 by an order of court of directors, the appointment of darogas and their subordinates was abolished in all possessions of the company except in Bengal.

Lord William Bentinck abolished the office of the SP. The Collector/Magistrate was now to have the police force in his jurisdiction and the commissioner in each division was to act as the SP. This arrangement resulted in a badly organised police force, putting a heavy burden on the collector/magistrate. Presidency towns were the first to have the duties of the collector/magistrate separated.

7.6. Judiciary

Earlier, the administration of justice used to be under the Zamindars and was arbitrary in nature

Reforms under Warren Hastings:

District Diwani adalats were established in districts to try civil disputes. These adalats were placed under the collector and had Hindu laws applicable for Hindus and Muslim laws for Muslims. The appeal from district Diwani adalats lay to the Sadar Diwani Adalat.

District Fauzdari adalats were setup to try criminal disputes and were placed under an Indian officer assisted by Qazis and Muftis. These Adalats were also under general supervision of the collector. The approval for capital punishment and for acquisition for property lay to the Sadar