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MADRAS RECORD OFFICE.

Government of Madras.

[illegible] DEPARTMENT.

G.O. No. 3192 Press Mis. —

—1-45

Dated 2 [illegible] 10 18[illegible]1.

Not to be folded or roughly handled

No. 44. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 15th September 1869, No. 297:—

I HAVE the honour to draw attention to certain circumstances connected with the Madras Cotton trade, which seem to deserve serious consideration, and which, I think, it would be well to bring to the notice of the Chamber of Commerce.

2. During the eighteen months between the 1st January 1868 and the 30th June 1869, the quantity of cotton conveyed upon the Madras Railway was as follows:—

	Cotton conveyed—in Tons.			
	Full pressed.	Half pressed.	Unpressed.	Total.
South-West Line	1,656	23	31,265	32,944
North-West Line	25	3	27,086	27,114

The observations which I wish to make refer chiefly to what is conveyed upon the North-West Line, almost the whole of which comes to the Madras market. Of the quantity conveyed upon the South-West Line, only a portion finds its way to Madras.

3. On looking at the above figures, the Government cannot fail to be struck with the enormous proportion of unpressed cotton. It may indeed be roundly stated, that the whole of the cotton conveyed on the North-West Line comes to Madras in an unpressed state.

4. This fact appears the more extraordinary when the difference in the rates charged for the conveyance of the various descriptions of cotton is taken into consideration. During the period in question the following were the rates charged per ton:—

Full pressed cotton	... 14	Pies per mile.
Half pressed do.	... 18	do.
Unpressed do.	... 36	do.

The reasons which led to so high a rate being fixed for the conveyance of unpressed cotton were, first, the comparatively small quantity which can be loaded upon an ordinary waggon, and, second, the inflammable nature of cotton in an unpressed state, and its liability to be set on fire. It was hoped that the charge of 36 Pies per ton per mile would prove prohibitory, and would induce consigners to have it pressed before despatching it by rail.

5. When reporting,* on the 11th December 1867, upon the operation of the Railway rates for the carriage of cotton, I drew attention to the fact that notwithstanding the inducements offered by the Railway Company to owners to have their cotton pressed before being sent to Madras, they had availed themselves to a very small extent of the presses which had been erected at Cuddapah and elsewhere; and I suggested, in explanation of this, that the leading Madras merchants objected to purchase cotton unless in an unpressed state, inasmuch as they were themselves the proprietors of presses which had been erected here at considerable cost, and for which it was their interest to find work.

* *Vide* G. O., No. 3,961, 21st December 1867.

6. Subsequent enquiries have convinced me that this is the correct explanation. The Madras ryots have no prejudice against pressing their cotton before sending it to the coast; on the contrary, they would gladly have it carried at the minimum of cost. Their only objection to do so now consists in the difficulty they experience in finding customers at Madras for anything except unpressed cotton.

7. The subject seems to deserve serious consideration on public grounds. At present the cotton growers of Cuddapah, Kurnool, and Bellary are chiefly affected, as a heavy and unnecessary tax is levied on their produce. In the case of cotton despatched from Ghooty to Madras, this tax amounts to no less than Rupees 34-15-0 per ton, thereby reducing the profits of the grower by three-eighths of a penny per pound. But the action of the Madras merchants, in refusing to purchase pressed or half pressed cotton, has already begun to operate in a manner which directly affects their own interests and those of the Madras Railway Company. A large quantity of cotton, which ought to be brought by the Railway to Madras, now finds its way to the coast in other directions. Cotton grown even to the east of Bellary takes the road to Dharwar, and thence to Carwar or Coompta; while a large portion of the Raichore crop goes to the Great Indian Peninsular Railway at Sholapoor. And if the policy of the Madras merchants remains unchanged, the opening of each successive section on that railway will tend to withdraw more and more cotton from the port of Madras. It would not be difficult to show that when the line of Railway is complete between Madras and Bombay, it will be cheaper for Ryots between Ghooty and Tadputri to press their cotton and send it to Bombay, than to send it in an unpressed state to Madras.

8. It is clear that the Bombay merchants will neglect no steps to secure their own interests, and to attract cotton to their own port. It is interesting to contrast their action with that of the Madras merchants. Although a far larger sum had been sunk in the erection of presses at Bombay than at Madras, this was not allowed to interfere with the establishment of presses at the principal stations on the Great Indian Peninsular Railway; and the following figures, taken from the Cotton Commissioner's last report,* show that no encouragement on the part of the merchants has been wanting in order to induce growers to transmit their produce to Bombay in the cheapest manner.

* No. 1,982, 8th June 1869.
Vide Supplement to *Gazette of India*, 21st August 1869.

Year.	Condition in which the cotton crop of the Central Provinces and the Berars was sent to Bombay. Per-centage of		
	Full pressed.	Half pressed.	Unpressed.	Total.
1866	...	...	...	...
1867	2	...	100	100
1868	17	13	85	100
1869	26	55½	17½	100
		66	8	100

9. These figures speak for themselves; and it is fair to conclude that, unless a more enlightened policy is adopted on the part of the Madras merchants, the chief part of our cotton trade will ere long pass into the hands of the Bombay merchants, to the detriment alike of our Railway system and our port. Upon these grounds I have the honour to urge the advisability of bringing under the notice of the Chamber of Commerce the facts to which I have alluded.

No. 45. ORDER THEREON, 2nd October 1869, No. 3,192.

RAILWAY, No. 9.

THE Government entirely concur in the view the Consulting Engineer for Railways has taken of the impolicy of delaying the adoption of measures for preserving to this Presidency the trade in cotton which has become of so much importance and which it is expected will, as far as this port is concerned, be very injuriously affected by the extension of the Great Indian Peninsular Railway eastward unless by the establishment of presses in the neighbourhood of the stations of the North-West Line, as is being done on the Great Indian Peninsular Railway, the bulk of the commodity be reduced to allow of its carriage at the minimum rate of charge on the Railway.

2. The Government are aware that, in addition to any other objections that may exist to the acceptance of cotton delivered at Madras in a pressed state, there is the risk thereby incurred of receiving an adulterated article, but this risk might, the Government believe, be overcome, and His Excellency the Governor in Council accordingly resolves to communicate Major Shaw Stewart's letter to the Chamber of Commerce for its consideration.

(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Consulting Engineer for Railways.
,, Chamber of Commerce.

Exd. S. T. Augustin.

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CONSULTING ENGINEER'S OFFICE,

Railway Department.

No. 297-

From Major J. W. A. Mc. Leay Stewart R.E.
Consulting Engineer for Railways,

To Colonel. C. A. Orr R.E.
Secretary to Government,
Public Works Department,
Fort Saint George.

SIR,

I have the honour to draw attention to certain circumstances connected with the Madras cotton trade which seem to deserve serious consideration, and which I think it would be well to bring to the notice of the Chamber of Commerce.

2 During the eighteen months between the 1st January 1868, and the 30th June 1869, the quantity of cotton conveyed upon the Madras Railway was as follows:—

Cotton

	Cotton conveyed.— lbs tons.			
	Full-pressed	Half-pressed	Unpressed	Total
South West line	1,126	93	31,766	32,985
North West line	95	3	27,031	27,129

The observations which I wish to make refer chiefly to what is conveyed upon the North West line, almost the whole of which finds its market. Of the quantity conveyed upon the South West line, only a portion finds its way to Madras.

On looking at the above figures the Government cannot fail to be struck with the enormous proportion of unpressed cotton. It may indeed be roundly stated that the whole of the cotton conveyed

conveyed on the North West line comes to Madras in an unpressed state.

4. This fact appears the more extraordinary when the difference in the rates charged for the conveyance of the various descriptions of cotton is taken into consideration. During the period in question the following were the rates charged per ton:—

Full-pressed cotton — 14 pice per mile
Half-pressed — Do. — 18 — Do —
Unpressed — Do. — 36 — Do —

The reasons which led to so high a rate being fixed for the conveyance of unpressed cotton were, first, the comparatively small quantity which can be loaded upon an ordinary

ordinary waggon, and second, the
inflammatory nature of cotton in
an unpressed state, and its liability
to be set on fire. It was hoped
that the charge of 36 pies per ton
per mile would prove prohibitory,
and would induce consignors to
have it pressed before despatching
it by rail.

5 When reporting, on the Vide G.G. No. 2981
11th December 1867, upon the opera- 21st December 1867.
tion of the Railway rates for the
carriage of cotton, I drew attention
to the fact that notwithstanding
the inducements offered by the
Railway Company to owners to
have their cotton pressed before
being sent to Madras, they
had availed themselves to a very

very small extent of the presses
which had been erected at Cuddapah
and elsewhere; and I suggested
in explanation of this that the
leading Madras Merchants ob-
jected to purchase cotton unless
in an unpressed state, inasmuch
as they were themselves the pro-
prietors of presses which had
been erected here at considerable
cost, and for which it was their
interest to find work.

6 Subsequent inquiries
have convinced me that this is
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Madras Coyote have no prejudice
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on the contrary they would
gladly

gladly have it carried at the minimum of cost. Their only objection to do so now consists in the difficulty they experience in finding customers at Madras for anything except unpressed cotton.

The subject seems to deserve serious consideration on public grounds. At present the cotton growers of Cuddapah, Guntoor, and Bellary are chiefly affected, as a heavy and unnecessary tax is levied on their produce. In the case of cotton despatched from Gooty to Madras this tax amounts to no less than Rs: 34-15-0 per ton; thereby reducing the profits of

of the grower by three-eighths of a penny per pound. But the action of the Madras Merchants, in refusing to purchase pressed or half-pressed cotton, has already begun to operate in a manner which directly affects their own interests and those of the Madras Railway Company. A large quantity of cotton, which ought to be brought by the great way to Madras, now finds its way to the coast in other directions. Cotton grown even to the east of Bellary takes the road to Bhavanee, and thence to Carwar or Coompta; while a large portion of the Raichore crop goes to the Great Indian Peninsula Railway at Shola-poor. And if the policy

of

of the Madras Merchants Remarks
encouraged, the opening of each
successive section on that Railway
will tend to withdraw more and
more cotton from the port of
Madras. It would not be
difficult to shew that when the
line of Railway is complete
between Madras and Bombay
it will be cheaper for Kyds
Coorg and Cadpatee to
send their cotton and send it
to Bombay than to send it on
an unpressed state to Madras.
It is clear that the
Bombay Merchants will neglect
no steps to secure their own
interests and to attract cotton
to their own port. It is interesting

to contrast their action with that
of the Madras Merchants.
Although a far larger sum had
been sunk in the erection of presses
at Bombay than at Madras,
this was not allowed to interfere
with the establishment of presses
at the principal stations on the
Great Indian Peninsula Railway;
from the following figures, taken
from the Cotton Commissioners
Last Report, shew that no en-
couragement on the part of
the Merchants has been want-
ing in order to induce growers
to transmit their produce
to Bombay in the cheapest
manner.

No. 19 - 8th June 1869.
Vide Supplement to Gazette of India 21st August 1869.

Yours

Years	Condition in which the cotton crop of the Central Provinces and the Berars was sent to Bombay. Percentage of			
	Well-prepared.	Half-prepared.	Unprepared.	Total.
1866				
1867	"	"	100	100
1868	2	13	85	100
1869	17	55½	17½	100
	26	66	8	100

9 These figures speak for themselves; and it is fair to conclude that unless a more enlightened policy is adopted on the part of the Madras merchants, the chief part of our cotton trade will ere long pass into the hands of the Bombay merchants, to the detriment alike of our Railway Systems and our port. Upon these grounds I have the honour to urge the advisability of bringing under the notice of the Chamber of Commerce the facts to which I have allluded.

I have the honour to be,
Sir,
Your Most Obed Servt
Major RE
Commr Engrs for Railways

Madras
15th September
1869

Public Works Department

Railway

Proceedings of the Madras Government

Under date the 2nd October 1861.

Read the following

No. 3192

From The Consulting Engineer for Railways, No. 297 dated 15th Septr 1861

The Government entirely concur in the view the Consulting Engineer for Railways has taken of the impolicy of delaying the adoption of measures for preserving to this Presidency the trade in cotton which has

W.H.

B.P.

Public Works Department.

Railway Department.

From

The Consulting Engineer
for Railways,

To

The Secretary to Government,
Public Works Department,
Fort Saint George.

Dated 15th September 1861.
Received 17th September 1861.

No. 297.

Requesting to receive the sanction of the Government to certain measures connected with the Road Cotton trade.

has become of so
much importance
and which it is ex-
:pected will, so far
as this Port is con-
:cerned, be very in-
:juriously affected by
the extension of the
Great Indian Pen-
:insular Railway eastward
unless, by the establish
:ment of presses in
the neighbourhood of
the stations of the North
West line, as is
being done on the
Great Indian Pe:
:ninsular Railway,
the bulk of the com:
:modity be reduced
to allow of its carriage
at the minimum rate
of charge on the Railway.

The Government
are aware that, in
addition to any other
objections that may
exist to the acceptance
of cotton delivered at
Madras in a pressed
state, there
is the risk
thereby incurred of
receiving an adulterated
article, but this risk

might, the Govern:
:ment believe, be
overcome, and His
Excellency the Governor
in Council accordingly
resolves to communicate
Major Shaw Mervarlo
letter to the Chamber
of Commerce for
its consideration

10 7

To the Secretary for Railways
Chamber of Commerce
Despd 4/10/65.

Rec 3938

Govt. of [1869] Madras.

PUBLIC WORKS.

To

The Consulting Engineer

for Railways

&c. &c.

Dated

Read.

G. O. P. Rets 1869, No. 3192

Nos. 114 - 115

Madras Cotton trade [redacted]

[redacted] Extract from the Conveyance for Railways bringing Cotton certain circumstances connected with the Madras Cotton Trade which appear to deserve Govt's consideration. Cond Mem Chamberlain Commerce