Revenue (1897) Department.

PRESS SERIES.

G.O., No. 999

DATED 24th November

[Despatch Abstract.]

Recording, with remarks, B. P. offers remarks on the distinction made in the Price returns between "old" & "new" paddy & between first and second sort paddy.

BACK PAPERS.

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REVENUE DEPARTMENT.

1897.

Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

MADRAS.

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Proceedings, 10th July 1897, No. 490.

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JULY.

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Price Returns.—Offering remarks on the distinction made in — between "old" and "new" paddy and between first and second sort paddy.

Date.

PROCEEDINGS OF THE BOARD OF REVENUE

(REVENUE SETTLEMENT, LAND RECORDS AND AGRICULTURE).

READ—again the following Proceedings of the Board of Revenue (R.S., L.R. and Agri.), dated 14th December 1896, No. 433 :—

Read—again the following Proceedings of the Board of Revenue (R.S., L.R. and Agri.), dated 6th April 1896, Mis. No. 1714 :—

Read—the following Official Memorandum (Revenue Department), No. 54 :—

The Board of Revenue is requested to furnish a report indicating the reply that should be given to the following question proposed to be asked by the Hon'ble M.R.Ry. N. Subba Rao Pantulu at the meeting of the Legislative Council to be held on the 8th instant :—

"Question *LXII*.—With reference to Chapter II, section 1, revised clause V of the Settlement Manual to the effect that the commutation rate should be deduced from the recorded prices of the standard crop, will Government be pleased to state whether, during the months when the paddy of the current fasli and of the previous fasli is sold in the market, as for example during the months of February, March and April in the Gódávari and Kistna Districts, the price of paddy entered in the price returns represents the price of the new paddy or the old ?

"Will the Government be pleased to state the instructions issued on the subject for the guidance of subordinate officers ?"

2. The Board should, if possible, submit its reply by the evening of Saturday next.

FORT ST. GEORGE,
2nd April 1896.

(Signed) LIONEL DAVIDSON,
Ag. Under Secretary to Government.

To the Board of Revenue (R.S., L.R. and Agri.).

Resolution—dated 6th April 1896, Mis. No. 1714.

The Board has no information as to whether the price of the new or of the old paddy is recorded in the months in which both descriptions are sold in the market. In the case of rice, the Board has laid down (*vide* Board's Proceedings, dated 5th May 1893, No. 170), that the variety ordinarily consumed by the bulk of the population should be treated as second sort. The same principle is, no doubt, followed in regard to paddy whether new or old.

(True Copy and Extract.)

(Signed) P. RAJARATNA MUDALIAR,
Secretary.

To the Secretary to Government, Revenue Department.

Read—also the following Official Memorandum (Revenue Department), No. 201 :—

With reference to its Proceedings, dated 6th April 1896, Mis. No. 1714, the Board of Revenue is requested to ascertain and report for the information of Government whether during the months when the paddy of the current and previous faslis is sold in the market, the price of paddy entered in the price returns represents the price of the old or the new paddy.

2. The report so far as it concerns the district of Gódávari should be submitted to Government at as early a date as possible, and should state, if possible, (*a*) whether the registered prices during the months of January, February and March—to which reference is made in paragraph 10 of Board's Proceedings, dated 12th March 1896, No. 43—were those of new or old paddy, and (*b*) what is the average difference between the price of new paddy and that of old paddy.

FORT ST. GEORGE,
3rd December 1896.

(Signed) LIONEL DAVIDSON.
Under Secretary to Government.

To the Board of Revenue (R.S., L.R. and Agri.).

Resolution—dated 14th December 1896, No. 433.

Paragraph 1 of the Memorandum read above will be communicated to all Collectors for early report.

2. With reference to paragraph 2 of the Memorandum, the Collector of Gódávari will be requested to submit the report and the information therein asked for at as early a date as possible.

(True Copy and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To all Collectors, except Gódávari (paragraph 1).
„ the Collector of Gódávari (paragraphs 1 and 2).

READ—also file of Board's Proceedings, containing Collectors' replies to Board's Proceedings, dated 14th December 1896, No. 433, regarding the prices reported for paddy in the price returns.

READ—also the following telegram from the Collector of Gódávari, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated 4th January 1897 :—

Please expedite reply to Board's Proceedings, No. 433, dated 14th December 1896, and report how first and second sort paddy distinguished for recording prices.

READ—also the following letter from V. A. BRODIE, Esq., Collector of Gódávari, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated Cocanada, 10th February 1897, Ref. on G.B. No. 376-Acc. :—

Referring to B.P., No. 433, of 14th December 1896 and to your telegram of 8th January 1897, I have the honour to state as follows :—

The Board has called for information on the following points and I will deal with them *seriatim*—

(1) Whether the price registered during the months in which, paddy of both the current and previous faslis is sold, is that of *old paddy* or of *new paddy* ;

(2) Whether the prices registered for January, February and March in this District were those of *old* or of *new* paddy ;

(3) What average difference there is between the price of the old and the new paddy and ;

(4) How first-sort paddy is distinguished from second-sort paddy.

Point No. 1.—As new paddy seldom comes into the market and at all events, is not sold by retail dealers for local consumption until after December, and as the distinction between *old* and *new* paddy ceases to exist after April, the prices registered from April to December are those of old paddy.

Point No. 2.—The information I have received from registering officers as to whether the prices registered for January, February and March are those of old or new paddy, is very conflicting. Prattipad reports that the prices reported by him not only for January, February and March, but also for December, are those of *new* paddy; which must be incorrect. Rajahmundry and Pittapur report that the prices reported in December are those of *old* paddy and those reported in January, February and March, the prices of new paddy. Rámachandrapuram, Narsapur and Bhímavaram report that the prices reported by them in December, January and February are the prices prevailing for old paddy, and those for March, the prices of new paddy. Rajole, Pentapad, Kottapetta, Tanuku, Ellore, Chintalapudy, Yernagúdem, Chódavaram and Coringa, report their prices for all four months to be those of *old* paddy. The truth is that the distinction between old and new paddy has never been kept in view by any of them, and all have contented themselves with registering the price of the kind of paddy which is being *commonly* sold on the dates that prices are reported, and their statements now, as to whether in previous years they reported the price of old or new paddy in these months, are more or less guess work in the case of most of them. It is, however, a fact that cannot be questioned, that there is a distinction between old and new paddy made by retailers up to April. It is also a notorious fact that new paddy is seldom eaten even by the poorest classes until after Pongul (*i.e.*, about the middle of January), as new rice is generally regarded as unwholesome until at least two or three months have elapsed since harvest which only commences at the end of November. After Pongul, no doubt, the consumption of new rice and consequently the retail sale of new paddy commences, but it does not become general and the difference in price between old and new paddy does not disappear until after the commencement of the Telugu new year in the first week of April. As the consumption and consequently the retail sale of new paddy does not commence until the beginning of January and certainly does not become general until the middle of March, it can be safely assumed that the prices recorded by registering officers (being those of retail dealers) are those of *old* paddy only in January and February. In March, the change takes place, and we can take it that generally the prices reported are those of *old* paddy at the beginning and of *new* paddy at the end of the month, the change taking place *somewhere* about the middle at some stations a little before, and at others a little after, but at none on any fixed and regular date year after year.

Point No. 3.—For want of correct data, owing, as already reported above, to the prices of old and new paddy not being separately recorded, it is not possible to give the average difference between the prices of old and new paddy with any precision. Further, the average difference will not be the same for the months of January, February, and March, but will be at its maximum in the first month and at its minimum in the last month. I have now issued orders to price-recording stations to register the prices of old and new paddy separately in the current fasli from January to April (as those for January have in some cases been reported already), and will report in the second week of April the exact figure for each month, though in view of the fact that the current year is an abnormal one, I doubt, if such figures will be of much value. New paddy, besides, will probably come sooner into general use than usual and also settlement operations being in progress, retail dealers can hardly be trusted to report true prices. Information as regards the prices of old and new paddy has been furnished by fifteen price-recording officers for the month of December 1896 in some cases, and for the month of January 1897 in the others, and the average difference appears from these figures to be Rs. $5\frac{3}{5}$ for putti, as the minimum and the maximum reported are Rs. $1\frac{3}{4}$ and Rs. $13\frac{3}{4}$, whilst Rajahmundry reports that there was no difference in December 1896. I do not, however, think this information very trustworthy in detail, though the average is probably more or less correct for all.

Point No. 4.—Nearly all the taluk officers in the district regard the paddy commonly produced in the District as second-sort paddy, the finer sort known in the market as "*sannavari*" or "*sonna atragada*", which is used only by Europeans and the richer class of Natives, being looked upon as first-sort paddy. It would thus seem that the price returned for second-sort paddy is the price of the paddy mostly grown in the delta lands. Mr. Clerk, however, seems to have assumed that this was the first-sort paddy, of the price returns (*vide* paragraph 38 of his scheme report). "*Sannavari*" or "*sanna atragada*" appears to be rarely the product of this District, but is "table" rice and commonly imported. Some taluk officers, like the Tahsildar of Amalapuram and the Deputy Tahsildar of Tuni, however, report that in reporting prices from their stations for January to March, "old" paddy has been considered "first-sort" paddy and "new" paddy "second sort," thus basing the distinction on the age of the paddy and not on it quality.

Read—also the following letter from V. A. BRODIE, Esq., Collector of Gódávari, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated Gódávari, 15th April 1897, Ref. on G.B. No. 376-Acc.:—

As promised in my letter, Ref. on G.B. No. 376-Acc., dated 10th February 1897, I have the honour to submit the following report, on the difference between the prices of "old" and "new" paddy of the first and second-sort, as registered at the several price recording stations in this District in the months of January, February and March 1897. As will be seen from the enclosed statements, the average difference is Rupees 6-8-0 per candy or putti in January, Rs. 7-8-0 in February, and Rs. 6-8-0 in March.

2. To secure uniformity in future, I request the instructions of the Board as to—

(1) whether the price to be registered in future in the months of January to March is that of "old" or "new," "first-sort" or "second-sort" *paddy* or *rice*; and

(2) what should be regarded as first-sort and what as second-sort paddy or rice.

Read—also letter from the Collector of North Arcot, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated 29th May 1897, Dis. No. 1634-Acc.

Abstract.—Reporting on the kind of paddy adopted in each of the stations in the District in the Monthly Season Report, Section III.

Resolution—dated 10th July 1897, No. 490.

Before commenting on the Collectors' answers to the questions put in the memoranda read above, the Board desires to offer a few explanatory remarks regarding the prescribed method of recording the price of paddy as first sort and second sort. The Board has not succeeded in tracing the origin of this classification, but believes that it was introduced as a device for arriving at a fairer average price than could be got by recording one price only. A record of the prices of paddy is maintained in order that when the period of settlement of any District expires, data may be available for commuting the Government share of the grain into money at the average price of the preceding twenty years. It is accordingly obvious that what is wanted to be known for each District is the price at which paddy of the sort, or sorts, most extensively grown in that District, is being sold. Excluding imported foreign paddy, with which the Settlement Department has no concern, the numerous varieties of paddy in use resolve themselves into two main groups. In the case of one group the interval between seed-time and harvest is three or four months, and in the other the interval is between five and six months. The first group is represented by the *kár* paddy, an inferior grain, generally sown in June-July and reaped in September-October. The second group is represented by the *samba* paddy, a superior grain sown in September-October and reaped in January-February.

Not only is there usually a marked difference in the price of the two sorts, but for a period of six weeks, or two months, succeeding the harvest, the newly-threshed paddy is cheaper than old dry paddy of the same variety, which is ready for pounding.

The price of paddy in every District is thus liable to vary considerably according to the variety, and as to whether it is new or old.

2. It was probably on a consideration of the above circumstances that the custom arose of classing paddy as first sort, and second sort, and of requiring that two prices should be returned from each price-recording station.

If one price only were recorded there would be the danger that it might represent either the price of old, superior paddy exclusively, or of new, inferior paddy exclusively, for every price-recording officer could hardly be trusted to report a mean price at which possibly no grain was actually selling. By requiring him to report two prices actually current, his attention is directed to the necessity of ascertaining whether there is any marked variation in the local price, and if there is, he should report the price of the dearer, better paddy as first sort, and of the cheaper, inferior paddy as second sort, without reference to whether the difference in price is due to a difference of variety, or to a difference of age, or to a combination of these differences.

It cannot, indeed be pretended that there are only two qualities and two prices for paddy in every market, or that the division of paddy into first and second sort is any better than a rough device for obtaining an approximation to a fair average price; but it may perhaps be granted that the average price deduced from the two prices is likely to be less open to objection on the part of either the Government or the tax-payer, than would be either of the two prices taken by itself.

3. For many years, two prices were similarly returned for rice. In 1887 Government questioned the principle on which the classification into first-sort rice and second-sort rice was made, and finally in 1893 it was determined that, as the price of rice was required merely for statistical, and not for settlement, purposes, it would suffice to report only the price of the rice consumed by the masses, which was to be called second-sort rice. There is no reason to doubt that the price-reporting officers classified paddy and rice in the same way. First-sort paddy should yield first-sort rice, and second-sort paddy should yield second-sort rice, though a difference in care in drying and pounding might doubtless make this a rule subject to exceptions.

G.O., Mis. No. 5708, dated 22nd September 1887.

Such being the rule, however, it is instructive to note the difficulties which were found to preclude any uniform method of classifying rice into first sort and second sort. It was found that owing to differences in the means of communication, the price of first-sort rice in one taluk might be no higher than that of second-sort rice in an adjoining taluk. Owing to differences in soil and irrigation, the same variety of rice was sometimes returned as first sort in one taluk and second sort in another. Some superior and inferior varieties take the same time to mature, and in some instances a better variety was reported to mature in less time than an inferior. In many cases, and notably from the Gódávari, varieties had been classed as second sort which the Board thought should have been classed as first sort.

Vide B.P. (R.S., L.R. and Agri.), dated 30th May 1888, No. 235.
Vide B.P. (R.S., L.R. and Agri.), dated 9th September 1890, No. 271.
Vide B.P. (R.S., L.R. and Agri.), dated 5th May 1893, No. 170.

Very often rice from *sambâ* paddy was classed as first sort, and *kâr* rice as second sort.

Rice from mânavâri paddy was often classed as second sort. Often a difference in price determined the classification. Often old rice was classed as first sort, and new rice as second sort.

4. Such being the ancient diversity of practice in respect to reporting two prices for rice, it will cause no surprise when it is found that the two prices for paddy have not been recorded, and indeed could not possibly be recorded, on any uniform system.

If the Board's supposition is right, that two prices were required merely with a view to arrive at a fair medium price, this want of uniformity is of little consequence.

Whether they are aware of it or not, the price-recording officers have, in effect, been classing the dearer sorts of paddy as first sort and the cheaper sorts as second sort, and this is probably as good a plan as can be devised for obtaining a fair mean price.

5. Now that the present price-recording officers are suddenly asked whether the practice of the last twenty years has been to record the price of new paddy or of old paddy at certain periods, or how first sort has been distinguished from second sort, it is obvious that they will be prone to assert the practice to be what they believe to be correct; and in any case the practice of the present office-holder is no guarantee that his predecessor followed the same lines.

6. The replies of Collectors to the questions asked by Government are summarised in Appendix I hereto annexed, and an abstract thereof in a tabular form is given in Appendix II.

Question 1.—When the paddy of the current and previous faslis is sold in the market, does the price entered in the price returns represent the price of the old or the new paddy?

Answer.—There is no uniformity; sometimes the price of old is recorded, sometimes the price of new.

Sometimes the old paddy is returned as first sort, and the new paddy as second sort. If old *kâr* and new *sambâ* were on sale together, the new paddy might be properly returned as first sort and the old as second sort. If all the good old paddy had been exported, and the remnants were the sweepings of the threshing floor, the price of the old paddy might be less than that of the new, and varieties of the new might properly be quoted as first sort and second sort.

Where the practice of a District is reported without comment to be uniform, the Board must confess to grave doubt as to whether the answer can be accepted without further enquiry.

Question 2.—Are the prices registered during January, February and March in the Gódávari District, those of new or of old paddy?

The Collector's answer is submitted in full. A majority of the price-reporting officers state that their prices for January, February and March relate to *old* paddy.

The Collector well remarks:—"The truth is that the distinction between old and new paddy has never been kept in view by any of them, and their statements now as to whether, in previous years, they reported the price of old or of new paddy in these months, are more or less guess work in the case of most of them."

The Board would expect (whether the price-reporting officer is aware of it or not) that the price of old paddy had been largely reported against first sort, and of new paddy against second sort. This has admittedly been the practice of some of the taluk officers, and in the Board's opinion it is quite correct.

Question 3.—What is the average difference between the price of new paddy and of old paddy?

In a report No. 376, dated 15th April 1897, the Collector gives the results of the price-recording officers' enquiries as to the difference in price during the months of January, February and March in the current year. In January new paddy was on the average 16 per cent. cheaper than old, in February 18 per cent. cheaper, and in March, 16 per cent.

This represents a difference of between $2\frac{1}{2}$ and 3 annas in the rupee approximately.

It is worthy of note that one Tahsildar reported to the Collector that in December 1896 (the harvest month) there was no difference in price between new and old paddy in his taluk. It should also be noted that the difference in price is made out to be as great in March, 4 months after harvest, as in the month succeeding harvest. As remarked by the Collector the difference should be at its maximum in January and at its minimum in March.

The Board concurs in his observation that the retail dealers cannot be trusted to quote true prices at the present juncture. The alleged difference cannot be regarded as correct, nor the true difference be ascertained, without a careful protracted enquiry.

7. There remains the question as to whether the existing method of recording paddy prices is susceptible of improvement.

An alternative method would be to do away with the distinction of first sort and second sort, and to direct the price-reporting officer to note the price of each important variety of paddy in the market, and to report the average price. The Board doubts whether this method, on the whole, would produce any better results. The price would be neither the price of superior paddy like *sambâ* and *pishânum*, nor the price of inferior paddy like *kâr* and *kuruvai*, but a price between the two at which possibly no paddy was selling.

The present system will work well enough if the object with which the prices are recorded, be kept in view. The object is to learn the price at which the paddy locally produced sells, and in classifying that paddy into first and second sort, the price-recording officer need only consider whether in fact paddy is being offered for sale at different prices. If so, avoiding extremes, he should take the quotations for the chief superior and the chief inferior varieties, and record their prices as the price of first and second sort paddy. The mean of the two will give a sufficiently accurate average price. The quantities of each sort on sale must, as hitherto, be neglected because there is no way of ascertaining them.

(True Copies and Extract.)

R. I. Srinivasa Rau
Secretary.

To the Secretary to Government, Revenue Department.
Copy to all Collectors.

APPENDIX I.

Ganjám.—The price of old paddy is recorded in some stations and that of new paddy in others. In the Parlákimedi station the average price of both old and new paddy is recorded.

Vizagapatam.—The price of old paddy is recorded in some stations and that of new in others.

Gódávari.—As regards prices, there is difference between old and new paddy only in the months of January, February and March. Reports show that in the matter of recording prices, there has been no uniformity; in some stations, those of old paddy, and in some, those of new paddy, have been recorded.

Kistna.—There is no uniformity, but in the majority of cases the prices of old paddy are recorded.

Nellore.—In about half the number of stations, the price of new paddy is recorded, and in the other half, the price of old paddy.

Cuddapah.—The price of old paddy is recorded in all the taluks except Siddhout and Badvel. In these two taluks, the price of new paddy is recorded.

Anantapur.—The price of old paddy is recorded.

Bellary.—In some stations the price of new paddy is recorded. In Rayadrug and Yemiganur, prices are recorded without enquiry as to whether the paddy is new or old. In Sirugappa the price of old paddy is recorded against paddy first, and that of new paddy against second sort.

Kurnool.—The price of new paddy is generally recorded. In Nandyal the price of old paddy is recorded as that of first sort and that of new, as second sort. While in Owk, the price of old paddy is recorded.

Madras.—The price of new paddy is recorded.

Chingleput.—The price of new paddy is recorded.

South Arcot.—The price of new paddy is generally recorded.

North Arcot.—No uniformity is observed. In the majority of places, the prices reported are those of new paddy: in a few places, those of old paddy, and in the rest, those of either or both *Sic* according to circumstances.

Trichinopoly.—The price of new paddy is recorded except in Trichinopoly where the price of old paddy is registered.

Tanjore.—Generally the price of new paddy such as *kâr*, *kuruvai*, &c., is registered under second sort from September to January when they are sold in the market. In these months old *sambâ* is treated as first sort. In other months, new *sambâ* which is harvested in February, is treated as second sort, while for first sort, new grain is taken into account in some places, and old grain in others. Thus during the period when paddy of the current and previous faslis is sold in the market, the price of new paddy alone is registered as second sort in the majority of cases as this is the sort consumed by the general masses.

Madura.—The price of old paddy is recorded in five stations and that of new paddy in 13 stations. In Dindigul the price recorded for first sort rice relates to old paddy and that for the second sort to new paddy.

Tinnevelly.—The prices of new paddy are recorded.

Coimbatore.—The price of new paddy is recorded.

Nilgiris.—Paddy is found in the price returns of only Ootacamund, and what is sold there is old paddy imported.

Salem.—The price of new paddy is generally recorded. In a few stations new paddy is treated as second sort, and old paddy as first sort. The officers recording prices in these stations have been instructed to follow the principle adopted in other stations, viz., to treat that variety which is ordinarily consumed by the masses as second sort.

South Canara.—Except in Mangalore, the price of new paddy is recorded. In Mangalore the price of both old and new paddy is recorded, there being no difference in their prices.

Malabar.—The price of old paddy is recorded in some taluks, and of new in others. In Ernad and Wallavanad the price of the old paddy is recorded as first sort and that of new as second sort.

APPENDIX II.

District.	Whether the price of paddy returned is that of old or new when both the sorts are sold in the market.		Remarks.	
Ganjám	Old. ..	.. New.	In seven stations. In four ,, In one station.	The Collector suggests that the price of both the varieties may be recorded separately.
Vizagapatam	Average price. Old.	.. New.	In some stations. In others.	There has been no uniformity in recording prices.
Gódávari	Old.	.. New.	In some stations. In others.	
Kistna	Old.	Do.	In majority of cases.	Do. do.
Nellore	..	New.	In eight stations. In seven ,, In one station.	
Cuddapah	Which ever is cheap. Old.	.. New.	In nine taluks. In two ,,	
Anantapur	Old.	..	In one station.	....
Bellary	Old, 1st.	New, 2nd.	In three stations. In two ,, In one station.	In four other stations, no paddy is sold in the markets.
Kurnool	.. Indiscriminately. Old, 1st.	New. New, 2nd.	In one station. Other stations.	
Madras	Old. ..	.. New.	Being cheaper and sold largely.	
Chingleput	..	Do.		
North Arcot	..	Do. New.	In most stations. In a few stations. In some.	.... No uniformity.
South Arcot	Old. Both.	..		
Tanjore	..	New. Do.	As second sort being consumed by masses.	....
Trichinopoly	Old. ..	.. New.	In Trichinopoly. Other taluks.	
Madura	Old. ..	.. New.	Five stations. Thirteen stations.	In Dindigul, price for 1st sort is for old paddy and that for 2nd sort is for new paddy.
Tinnevelly	..	Do.		....
Coimbatore	..	.. New.		....
Nilgiris	Old.	..	Only small quantity imported.	....
Salem	..	New.		
South Canara	..	Do.	All stations except Mangalore, where the price of both old and new are the same.	....
Malabar	Old. ..	.. New.	Three stations.	
	Old, 1st.	New, 2nd.	Four ,, Two ,,	

D/1,000—8-4-97. Re: record of prices

REVENUE DEPARTMENT.

C. No. 6962 of 97

From the Board of Rev: RS &c

The Hon. Mr Grose C.S.I.

& Circ

Dated 10th July 1897.

For favour of consideration with the Godavari resettlement papers.

FOR ORDERS.

This has come down from the Hon Mr Grose without any note from him. I know not knowing the mining connection.

27/9/97

& I didn't understand this ~~date~~ the Note has now come down for the first time. Though I saw the B of Rev. when I was disposing of the Godavari Settl papers. I sent them away some days ago. I certainly did not send the notes to the Hon Mr H Bliss

29/9/97

Because the mining connection with the paper appeared from the Hon Mr Grose

30/9/97 I noted on the Godavari Settl papers that a corrident of theirs RD Rev remarked to me about that the price commutation rate (which is low compared with other districts) had been fixed fairly. The RD and I gave instructions in the sense of their concluding remark.

30/9/97

7.94

25.11.97

29/9/97

Please see paras 33 to 35 of Mr Davidson's note on the Godavari resettlement wherein in connection with certain objections urged by the District association to Mr Clerk's proposals for fixing the commutation price of paddy, the following questions are raised and final orders thereon proposed to be postponed pending the receipt of a report on the subject called for from the Board. The questions are

(1) whether it is fair to take the average of the prices of both the first and second sorts of paddy for fixing such price

(2) whether the prices recorded are of old or new paddy and if the former whether in

C 17/7/97
R 29/9/97
R 25/11/97.

view of the fact that the old settlement outturns were calculated on the newly harvested grain, due allowance should not be made for the difference in weight and volume between the old and the new grains and for the cost of storing the grain until it could command the price of old paddy.

(3) whether the price of new paddy is lower in the ryots' selling months than in the rest of the year.

These questions in another form were put by the Hon: n Subba Rao at the meeting of the Legislative Council held on 8th April 1896 but as the Board at the time reported that it had no exact information as to the methods adopted in the recording of prices the Hon. was merely told that the Govt had no information on the subject and that it had not issued any instructions in connexion therewith. The Godavari District Association having raised these questions again in connexion with their memorials on

FOR ORDERS.

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the Board was in December la
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Godavari was concerned being
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possible. In regard to the Kollē
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"months of January, February
"and March —— to which reference
"in para 10 of Board's Proc^s dt 12th
"March 1896 No 43 — were those
"of old or new paddy and (b) what
"is the average difference between
"the price of new paddy and that
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sultation with the several Col-
lectors now submits its reply to
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giving in full the communica-
tion received by it on the subject
from the Collector of Godavari
appends to its Proc^s a summary
of the letters received by it from

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answer

to Collectors of all districts on the question whether the prices recorded are of old or new paddy.

3. The Board previously pointing out that two prices are now recorded of paddy viz those of 1st and 2nd sort of paddy, it has not been able to trace out the origin of this distinction, the prices of the grain in any one district at a time varying with the particular sort of the grain sold as also with reference to the fact whether it is old or new. The sorts of paddy the Board states with different prices in the same district and much more therefore in the several districts being innumerable and the same sort being sold at ~~two~~ different rates in different localities no uniform system of recording the prices could be adopted. The Board in these circumstances thinks that the two prices were probably insisted upon "merely with a view to arrive at a fair medium price" and that the want of uniformity in practice in several districts is therefore of no

For the commutation rate in Godavari the average of the two prices has been taken.

16/9/87.

consequence. The Board was not expressly asked the first question referred to in para 1 above viz whether in fixing the commutation prices it would be fair to take the average of the rates at which the first and the second sort paddy are sold but it is clear from what is stated above that if asked the Board's answer would be that it is.

4. As regards the second general question viz whether the prices of old or new paddy are recorded at the recording stations, the Board as already stated above furnished a precis of the communications received from the several Collectors on the subject and points out that as will be seen therefrom, the practice again varies in different districts and in fact in different localities of the same district.

5. As the question whether the prices registered in the Godavari district during January February and March are those of new or old paddy, the

answer

answer of a majority of price reporting officers is that they relate to old paddy. The Collector however thinks that the distinction between old and new paddy has never been kept in view by them and that their reply is more or less guesswork. The Board is inclined to believe that the price of old paddy had been largely reported against first sort and of new paddy against second sort and adds "this has admittedly been the practice of some of the taluq officers and in the Board's opinion it is quite correct."

6. As to the next question viz what the difference in the prices of old and new paddy in Godavari is, the Collector and the Board reply that in Jany last the price of new paddy was on the average 16 per cent cheaper than that of old paddy, in Feby 18 per cent and in March 16 per cent, representing a difference between 2½ and 3 annas in the rupee approximately. Both the Collector and the Board however remark that the retail dealers from whom the above figures have

It must be remembered that it is in mind that this practice of Station at any rate was for the buzarman to come to the Tahsil Cutcherry and report the price.

The Collector thus

It may be mentioned here that the Collector thinks that though the information is not very trustworthy in detail "the average is probably more or less correct"

have been obtained cannot be trusted to quote true prices at this juncture, that Dec^r being the harvest month the difference in price should be at its maximum in January and minimum in March and that one Tahsildar went to the length of reporting that in Dec^r last there was no difference between the price of old and new paddy in his Taluq. There seems it is respectfully submitted a flaw in the Board's reasoning here. The retail dealers are no doubt dishonest and if at the present juncture a European Officer goes and questions them they would in all likelihood not tell him the truth about prices. But the price recording officers who have furnished the information to the Collector and the Board are natives, themselves direct buyers in retail of paddy and rice and it is submitted that the dealers cannot possibly cheat them at least to any considerable extent.

7. The Board in

this

This connexion also discusses the question what improvement, if any, should be introduced into the existing method of recording prices. It states that if the distinction between first and second sort paddy were abolished the only alternative method that could be adopted for recording prices would be to ask the reporting officers to note the rate at which each important variety of paddy is sold to report their average. The result, the Board thinks, in the latter case would be a prices at which no paddy was selling and is likely to be no improvement on the old system. The Board concludes with the remark that the object aimed at being the ascertainment of the price at which the paddy locally produced is sold all that need be done by recording officers is to avoid extremes by taking the quotations for the chief superior and the chief inferior varieties and to record their prices as dealers

those

Shall probability. This is what is done at present
MLK
Ens
29

those of first and second sort paddy.

7. It is submitted that instructions for the recording of prices would appear to have been issued primarily with the intention of ascertaining the agricultural and economic condition of the several parts of the country, Statistics relating to which are now annually submitted to the Govt of India and published by that Govt under the title of "Returns of Agricultural Statistics" For this purpose instead of the present system of recording prices with the limitations therein suggested by the Board would appear to be amply sufficient. The question whether the average of the prices for the year thus arrived at can equitably be adopted for settlement purposes seems to be open to discussion. The point as stated in Mr Davidson's note is whether in view of the fact that the old settlement out turns were

+ It seems impossible to take any other basis for the calculation. For if the price of A quality paddy one year is the basis the produce of B at that time was unsafe and the result will be that you will have a commutation rate for each kind of produce - which is an unnecessary as it is absurd.

Wbg/19/7.

calculated on the newly harvested grain, if the prices recorded are of old paddy, due allowance should not be made for the difference in weight and volume between the old and the new grains and for the cost of storing the grain until it would command the price of old paddy. If again, as the Board seems to think, during the ryots' selling months in Godavari, old paddy is being returned as 1st sort paddy and the new paddy as second sort, the question arises whether their average can fairly be taken as the price of paddy for Settlement purposes.

8. The Board was not asked to express an opinion on the above two questions but as already indicated in para 1 above they will be found discussed in para 34 of Mr Davidson's note. It will be seen that the proportion of difference between the prices of old and new paddy as originally reported was 24 to 19 and the percentage of difference between the

The points we are concerned with is the commutation rate. Neither prices recorded [illegible] and the price which that is found to be not the price of old paddy but a considerably lower rate. The price of old & new by any effort the price in 3 months out of 12. ×

Deals 8. The ryots don't make all their sales in these three months & the average effect of the difference is therefore less — probably much less — than shown in para 6 above.

RS

the two about 21, whereas this difference is now reported to be only between 16 and 18. The commutation prices adopted by this Govt and the Board can apparently be partly justified by contending that the rule that the average prices of the 20 non-famine years preceding the settlement should be adopted in such cases was issued in the interests of the people themselves and that considering the rapid and steady rise in prices year by year the Govt is equitably entitled to a far higher rate of assessment than that arrived at by basing its calculations on the above average. Further such a distinction as the Association seeks to make out was never recognised in the settlement of any other District and as the allowances made in all directions are extremely liberal and generally are more than what the people can honestly claim it seems unnecessary to consider the

Assn

Associations contentions further.

12/12/97 I contend that no agency employed in recording prices is so inefficient - considering as it probably does in most cases of a 6 Rupee Taluk town, - that the results can only be taken as a very rough approximation to the elaborate calculations of the Settlement Department. All reports now made as to the procedure adopted in ascertaining prices in reporting them must, I submit be looked upon with the greatest suspicion. It seems that Talukdars & Talukdars are now reporting that they did what they think is considered ~~the exceptions~~ they ought to have done.

In all probability the prices reported to those of No 2 Red Soft paddy was the highest-lowest prices system quoted in bazaars with a percentage of the highest price of the best paddy.

The elaborate calculations of the Settlement dept are but a rough way of arriving at the contents handy take which is ultimately fixed and varied without any but little regard to them

Illegible

and the lowest price that of new paddy or the highest price & lowest price might have been that of different kind of paddy. But some rayts grow one kind of paddy & then another & the same rayts grows different kind in different years. Some rayts with sell when white ears while it is new paddy & others with Rice it & sell it later on. All in can hope to get for the purposes of settlement is a rough approximate commutation rate. And it is submitted that no reason has been shown to depart the figures given in the scheme of this character. All the Scheme figures are intended merely as guides so that Govt may not go far wrong in arriving at the assessment to be ultimately levied.

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14.9.97

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REVENUE DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read C. No 6952 of 97

Proc
29/11/97
Secy to Govt.

Proc G.O. No 999 of 29th Nov: 1897.
Recorded

2. The Govt concurs in the remarks made by the Board in the ~~conclusion~~ last clause of para 7 of the Prop. Instructions shd be issued accordingly.

Mlle
29.XI.97

B.T.S. 1-12-97

To the Bd—R.S. L.R. & A. Pro
Dd. 9-12-97
57
12

Issued

Government {1897} of Madras.

REVENUE.

Recd. } 1897. *Enclosures*

Regd. } *Spare copies*

G.O., No. 999, 29th November 1897.

NOVEMBER.

Price Returns.

Recording, with remarks, Board's Proceedings offering remarks on the distinction made in the — between "old" and "new" paddy and between first and second sort paddy.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

Read—the following Proceedings of the Board of Revenue (Revenue Settlement Land Records and Agriculture), No. 490, dated 10th July 1897 :—

Read—again the following Proceedings of the Board of Revenue (R.S., L.R. and Agri.), dated 14th December 1896, No. 433 :—

Read—again the following Proceedings of the Board of Revenue (R.S., L.R. and Agri.), dated 6th April 1896, Mis. No. 1714 :—

Read—the following Official Memorandum (Revenue Department), No. 54 :—

The Board of Revenue is requested to furnish a report indicating the reply that should be given to the following question proposed to be asked by the Hon'ble M.R.Ry. N. Subba Rao Pantulu at the meeting of the Legislative Council to be held on the 8th instant :—

"Question *LXII*.—With reference to Chapter II, section 1, revised clause V of the Settlement Manual to the effect that the commutation rate should be deduced from the recorded prices of the standard crop, will Government be pleased to state whether, during the months when the paddy of the current fasli and of the previous fasli is sold in the market, as for example during the months of February, March and April in the Gódávari and Kistna Districts, the price of paddy entered in the price returns represents the price of the new paddy or the old ?

"Will the Government be pleased to state the instructions issued on the subject for the guidance of subordinate officers ?"

2. The Board should, if possible, submit its reply by the evening of Saturday next.

Fort St. George,
2nd April 1896.

(Signed) LIONEL DAVIDSON,
Ag. Under Secretary to Government.

To the Board of Revenue (R.S., L.R. and Agri.).

Resolution—dated 6th April 1896, Mis. No. 1714.

The Board has no information as to whether the price of the new or of the old paddy is recorded in the months in which both descriptions are sold in the market. In the case of rice, the Board has laid down (*vide* Board's Proceedings, dated 5th May 1893, No. 170), that the variety ordinarily consumed by the bulk of the population should be treated as second sort. The same principle is, no doubt, followed in regard to paddy whether new or old.

(True Copy and Extract.)

(Signed) P. RAJARATNA MUDALIAR,
Secretary.

To the Secretary to Government, Revenue Department.

Read—also the following Official Memorandum (Revenue Department), No. 201 :—

With reference to its Proceedings, dated 6th April 1896, Mis. No. 1714, the Board of Revenue is requested to ascertain and report for the information of Government whether during the months when the paddy of the current and previous faslis is sold in the market, the price of paddy entered in the price returns represents the price of the old or the new paddy.

2. The report so far as it concerns the district of Gódávari should be submitted to Government at as early a date as possible, and should state, if possible, (*a*) whether the registered prices during the months of January, February and March—to which reference is made in paragraph 10 of Board's Proceedings, dated 12th March 1896, No. 43—were those of new or old paddy, and (*b*) what is the average difference between the price of new paddy and that of old paddy.

Fort St. George,
3rd December 1896.

(Signed) LIONEL DAVIDSON.
Under Secretary to Government.

To the Board of Revenue (R.S., L.R. and Agri.).

Resolution—dated 14th December 1896, No. 433.

Paragraph 1 of the Memorandum read above will be communicated to all Collectors for early report.

2. With reference to paragraph 2 of the Memorandum, the Collector of Gódávari will be requested to submit the report and the information therein asked for at as early a date as possible.

(True Copy and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To all Collectors, except Gódávari (paragraph 1).
„ the Collector of Gódávari (paragraphs 1 and 2).

Read—also file of Board's Proceedings, containing Collectors' replies to Board's Proceedings, dated 14th December 1896, No. 433, regarding the prices reported for paddy in the price returns.

Read—also the following telegram from the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, to the Collector of Gódávari, dated 8th January 1897, :—

Please expedite reply to Board's Proceedings, No. 433, dated 14th December 1896, and report how first and second sort paddy distinguished for recording prices.

Read—also the following letter from V. A. BRODIE, Esq., Collector of Gódávari, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated Cocanada, 10th February 1897, Ref. on G.B. No. 376-Acc. :—

Referring to B.P., No. 433, of 14th December 1896 and to your telegram of 8th January 1897, I have the honour to state as follows :—

The Board has called for information on the following points and I will deal with them *seriatim*—

(1) Whether the price registered during the months in which, paddy of both the current and previous faslis is sold, is that of *old paddy* or of *new paddy* ;

(2) Whether the prices registered for January, February and March in this District were those of *old* or of *new* paddy ;

(3) What average difference there is between the price of the old and the new paddy and ;

(4) How first-sort paddy is distinguished from second-sort paddy.

Point No. 1.—As new paddy seldom comes into the market and at all events, is not sold by retail dealers for local consumption until after December, and as the distinction between *old* and *new* paddy ceases to exist after April, the prices registered from April to December are those of old paddy.

Point No. 2.—The information I have received from registering officers as to whether the prices registered for January, February and March are those of old or new paddy, is very conflicting. Prattipad reports that the prices reported by him not only for January, February and March, but also for December, are those of *new* paddy; which must be incorrect. Rajahmundry and Pittapur report that the prices reported in December are those of *old* paddy and those reported in January, February and March, the prices of new paddy. Rámachandrapuram, Narsapur and Bhímavaram report that the prices reported by them in December, January and February are the prices prevailing for old paddy, and those for March, the prices of new paddy. Rajole, Pentapad, Kottapetta, Tanuku, Ellore, Chintalapudy, Yernagúdem, Chódavaram and Coringa, report their prices for all four months to be those of *old* paddy. The truth is that the distinction between old and new paddy has never been kept in view by any of them, and all have contented themselves with registering the price of the kind of paddy which is being *commonly* sold on the dates that prices are reported, and their statements now, as to whether in previous years they reported the price of old or new paddy in these months, are more or less guess work in the case of most of them. It is, however, a fact that cannot be questioned, that there is a distinction between old and new paddy made by retailers up to April. It is also a notorious fact that new paddy is seldom eaten even by the poorest classes until after Pongul (*i.e.*, about the middle of January), as new rice is generally regarded as unwholesome until at least two or three months have elapsed since harvest which only commences at the end of November. After Pongul, no doubt, the consumption of new rice and consequently the retail sale of new paddy commences, but it does not become general and the difference in price between old and new paddy does not disappear until after the commencement of the Telugu new year in the first week of April. As the consumption and consequently the retail sale of new paddy does not commence until the beginning of January and certainly does not become general until the middle of March, it can be safely assumed that the prices recorded by registering officers (being those of retail dealers) are those of *old* paddy only in January and February. In March, the change takes place, and we can take it that generally the prices reported are those of *old* paddy at the beginning and of *new* paddy at the end of the month, the change taking place *somewhere* about the middle at some stations a little before, and at others a little after, but at none on any fixed and regular date year after year.

Point No. 3.—For want of correct data, owing, as already reported above, to the prices of old and new paddy not being separately recorded, it is not possible to give the average difference between the prices of old and new paddy with any precision. Further, the average difference will not be the same for the months of January, February, and March, but will be at its maximum in the first month and at its minimum in the last month. I have now issued orders to price-recording stations to register the prices of old and new paddy separately in the current fasli from January to April (as those for January have in some cases been reported already), and will report in the second week of April the exact figure for each month, though in view of the fact that the current year is an abnormal one, I doubt, if such figures will be of much value. New paddy, besides, will probably come sooner into general use than usual and also settlement operations being in progress, retail dealers can hardly be trusted to report true prices. Information as regards the prices of old and new paddy has been furnished by fifteen price-recording officers for the month of December 1896 in some cases, and for the month of January 1897 in the others, and the average difference appears from these figures to be Rs. $5\frac{3}{5}$ for putti, as the minimum and the maximum reported are Rs. $1\frac{3}{4}$ and Rs. $13\frac{3}{4}$, whilst Rajahmundry reports that there was no difference in December 1896. I do not, however, think this information very trustworthy in detail, though the average is probably more or less correct for all.

Point No. 4.—Nearly all the taluk officers in the district regard the paddy commonly produced in the District as second-sort paddy, the finer sort known in the market as "*sannavari*" or "*sanna atragada*", which is used only by Europeans and the richer class of Natives, being looked upon as first-sort paddy. It would thus seem that the price returned for second-sort paddy is the price of the paddy mostly grown in the delta lands. Mr. Clerk, however, seems to have assumed that this was the first-sort paddy, of the price returns (*vide* paragraph 38 of his scheme report). "*Sannavari*" or "*sanna atragada*" appears to be rarely the product of this District, but is "table" rice and commonly imported. Some taluk officers, like the Tahsildar of Amalapuram and the Deputy Tahsildar of Tuni, however, report that in reporting prices from their stations for January to March, "old" paddy has been considered "first-sort" paddy and "new" paddy "second sort," thus basing the distinction on the age of the paddy and not on it quality.

Read—also the following letter from V. A. BRODIE, Esq., Collector of Gódávari, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated Gódávari, 15th April 1897, Ref. on G.B. No. 376-Acc.:—

As promised in my letter, Ref. on G.B. No. 376-Acc., dated 10th February 1897, I have the honour to submit the following report, on the difference between the prices of "old" and "new" paddy of the first and second-sort, as registered at the several price recording stations in this District in the months of January, February and March 1897. As will be seen from the enclosed statements, the average difference is Rupees 6–8–0 per candy or putti in January, Rs. 7–8–0 in February, and Rs. 6–8–0 in March.

2. To secure uniformity in future, I request the instructions of the Board as to—

(1) whether the price to be registered in future in the months of January to March is that of "old" or "new," "first-sort" or "second-sort" *paddy* or *rice*; and

(2) what should be regarded as first-sort and what as second-sort paddy or rice.

Read—also letter from the Collector of North Arcot, to the Secretary to the Commissioner of Revenue Settlement, Land Records and Agriculture, dated 29th May 1897, Dis. No. 1634-Acc.

Abstract.—Reporting on the kind of paddy adopted in each of the stations in the District in the Monthly Season Report, Section III.

Resolution—No. 490, dated 10th July 1897.

Before commenting on the Collectors' answers to the questions put in the memoranda read above, the Board desires to offer a few explanatory remarks regarding the prescribed method of recording the price of paddy as first sort and second sort. The Board has not succeeded in tracing the origin of this classification, but believes that it was introduced as a device for arriving at a fairer average price than could be got by recording one price only. A record of the prices of paddy is maintained in order that when the period of settlement of any District expires, data may be available for commuting the Government share of the grain into money at the average price of the preceding twenty years. It is accordingly obvious that what is wanted to be known for each District is the price at which paddy of the sort, or sorts, most extensively grown in that District, is being sold. Excluding imported foreign paddy, with which the Settlement Department has no concern, the numerous varieties of paddy in use resolve themselves into two main groups. In the case of one group the interval between seed-time and harvest is three or four months, and in the other the interval is between five and six months. The first group is represented by the *kár* paddy, an inferior grain, generally sown in June-July and reaped in September-October. The second group is represented by the *sambâ* paddy, a superior grain sown in September-October and reaped in January-February.

Not only is there usually a marked difference in the price of the two sorts, but for a period of six weeks, or two months, succeeding the harvest, the newly-threshed paddy is cheaper than old dry paddy of the same variety, which is ready for pounding.

The price of paddy in every District is thus liable to vary considerably according to the variety, and as to whether it is new or old.

2. It was probably on a consideration of the above circumstances that the custom arose of classing paddy as first sort, and second sort, and of requiring that two prices should be returned from each price-recording station.

If one price only were recorded there would be the danger that it might represent either the price of old, superior paddy exclusively, or of new, inferior paddy exclusively, for every price-recording officer could hardly be trusted to report a mean price at which possibly no grain was actually selling. By requiring him to report two prices actually current, his attention is directed to the necessity of ascertaining whether there is any marked variation in the local price, and if there is, he should report the price of the dearer, better paddy as first sort, and of the cheaper, inferior paddy as second sort, without reference to whether the difference in price is due to a difference of variety, or to a difference of age, or to a combination of these differences.

It cannot, indeed be pretended that there are only two qualities and two prices for paddy in every market, or that the division of paddy into first and second sort is any better than a rough device for obtaining an approximation to a fair average price; but it may perhaps be granted that the average price deduced from the two prices is likely to be less open to objection on the part of either the Government or the tax-payer, than would be either of the two prices taken by itself.

3. For many years, two prices were similarly returned for rice. In 1887 Government questioned the principle on which the classification into first-sort rice and second-sort rice was made, and finally in 1893 it was determined that, as the price of rice was required merely for statistical, and not for settlement, purposes, it would suffice to report only the price of the rice consumed by the masses, which was to be called second-sort rice. There is no reason to doubt that the price-reporting officers classified paddy and rice in the same way. First-sort paddy should yield first-sort rice, and second-sort paddy should yield second-sort rice, though a difference in care in drying and pounding might doubtless make this a rule subject to exceptions.

G.O., Mis. No. 5708, dated 22nd September 1887.

Such being the rule, however, it is instructive to note the difficulties which were found to preclude any uniform method of classifying rice into first sort and second sort. It was found that owing to differences in the means of communication, the price of first-sort rice in one taluk might be no higher than that of second-sort rice in an adjoining taluk. Owing to differences in soil and irrigation, the same variety of rice was sometimes returned as first sort in one taluk and second sort in another. Some superior and inferior varieties take the same time to mature, and in some instances a better variety was reported to mature in less time than an inferior. In many cases, and notably from the Gódávari, varieties had been classed as second sort which the Board thought should have been classed as first sort.

Vide B.P. (R.S., L.R. and Agri.), dated 30th May 1888. No. 235.
Vide B.P. (R.S., L.R. and Agri.), dated 9th September 1890, No. 271.
Vide B.P. (R.S., L.R and Agri.), dated 5th May 1893, No. 170.

Very often rice from *sambâ* paddy was classed as first sort, and *kâr* rice as second sort.

Rice from mânavâri paddy was often classed as second sort. Often a difference in price determined the classification. Often old rice was classed as first sort, and new rice as second sort.

4. Such being the ancient diversity of practice in respect to reporting two prices for rice, it will cause no surprise when it is found that the two prices for paddy have not been recorded, and indeed could not possibly be recorded, on any uniform system.

If the Board's supposition is right, that two prices were required merely with a view to arrive at a fair medium price, this want of uniformity is of little consequence.

Whether they are aware of it or not, the price-recording officers have, in effect, been classing the dearer sorts of paddy as first sort and the cheaper sorts as second sort, and this is probably as good a plan as can be devised for obtaining a fair mean price.

5. Now that the present price-recording officers are suddenly asked whether the practice of the last twenty years has been to record the price of new paddy or of old paddy at certain periods, or how first sort has been distinguished from second sort, it is obvious that they will be prone to assert the practice to be what they believe to be correct; and in any case the practice of the present office-holder is no guarantee that his predecessor followed the same lines.

6. The replies of Collectors to the questions asked by Government are summarised in Appendix I hereto annexed, and an abstract thereof in a tabular form is given in Appendix II.

Question 1.—When the paddy of the current and previous faslis is sold in the market, does the price entered in the price returns represent the price of the old or the new paddy?

Answer.—There is no uniformity; sometimes the price of old is recorded, sometimes the price of new.

Sometimes the old paddy is returned as first sort, and the new paddy as second sort. If old *kâr* and new *sambâ* were on sale together, the new paddy might be properly returned as first sort and the old as second sort. If all the good old paddy had been exported, and the remnants were the sweepings of the threshing floor, the price of the old paddy might be less than that of the new, and varieties of the new might properly be quoted as first sort and second sort.

Where the practice of a District is reported without comment to be uniform, the Board must confess to grave doubt as to whether the answer can be accepted without further enquiry.

Question 2.—Are the prices registered during January, February and March in the Gódávari District, those of new or of old paddy?

The Collector's answer is submitted in full. A majority of the price-reporting officers state that their prices for January, February and March relate to *old* paddy.

The Collector well remarks:—"The truth is that the distinction between old and new paddy has never been kept in view by any of them, and their statements now as to whether, in previous years, they reported the price of old or of new paddy in these months, are more or less guess work in the case of most of them."

The Board would expect (whether the price-reporting officer is aware of it or not) that the price of old paddy had been largely reported against first sort, and of new paddy against second sort. This has admittedly been the practice of some of the taluk officers, and in the Board's opinion it is quite correct.

Question 3.—What is the average difference between the price of new paddy and of old paddy?

In a report No. 376, dated 15th April 1897, the Collector gives the results of the price-recording officers' enquiries as to the difference in price during the months of January, February and March in the current year. In January new paddy was on the average 16 per cent. cheaper than old, in February 18 per cent. cheaper, and in March, 16 per cent.

This represents a difference of between $2\frac{1}{2}$ and 3 annas in the rupee approximately.

It is worthy of note that one Tahsildar reported to the Collector that in December 1896 (the harvest month) there was no difference in price between new and old paddy in his taluk. It should also be noted that the difference in price is made out to be as great in March, 4 months after harvest, as in the month succeeding harvest. As remarked by the Collector the difference should be at its maximum in January and at its minimum in March.

The Board concurs in his observation that the retail dealers cannot be trusted to quote true prices at the present juncture. The alleged difference cannot be regarded as correct, nor the true difference be ascertained, without a careful protracted enquiry.

7. There remains the question as to whether the existing method of recording paddy prices is susceptible of improvement.

An alternative method would be to do away with the distinction of first sort and second sort, and to direct the price-reporting officer to note the price of each important variety of paddy in the market, and to report the average price. The Board doubts whether this method, on the whole, would produce any better results. The price would be neither the price of superior paddy like *sambá* and *pishânam*, nor the price of inferior paddy like *kár* and *kuruvai*, but a price between the two at which possibly no paddy was selling.

The present system will work well enough if the object with which the prices are recorded, be kept in view. The object is to learn the price at which the paddy locally produced sells, and in classifying that paddy into first and second sort, the price-recording officer need only consider whether in fact paddy is being offered for sale at different prices. If so, avoiding extremes, he should take the quotations for the chief superior and the chief inferior varieties, and record their prices as the price of first and second sort paddy. The mean of the two will give a sufficiently accurate average price. The quantities of each sort on sale must, as hitherto, be neglected because there is no way of ascertaining them.

(True Copies and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Secretary to Government, Revenue Department.
Copy to all Collectors.

APPENDIX I.

Ganjám.—The price of old paddy is recorded in some stations and that of new paddy in others. In the Parlákimedi station the average price of both old and new paddy is recorded.

Vizagapatam.—The price of old paddy is recorded in some stations and that of new in others.

Gódávari.—As regards prices, there is difference between old and new paddy only in the months of January, February and March. Reports show that in the matter of recording prices, there has been no uniformity; in some stations, those of old paddy and in some, those of new paddy, have been recorded.

Kistna.—There is no uniformity, but in the majority of cases the prices of old paddy are recorded.

Nellore.—In about half the number of stations, the price of new paddy is recorded, and in the other half, the price of old paddy.

Cuddapah.—The price of old paddy is recorded in all the taluks except Siddhout and Badvel. In these two taluks, the price of new paddy is recorded.

Anantapur.—The price of old paddy is recorded.

Bellary.—In some stations the price of new paddy is recorded. In Rayadrug and Yemiganur, prices are recorded without enquiry as to whether the paddy is new or old. In Sirugappa the price of old paddy is recorded against paddy first, and that of new paddy against second sort.

Kurnool.—The price of new paddy is generally recorded. In Nandyal the price of old paddy is recorded as that of first sort and that of new, as second sort. While in Owk, the price of old paddy is recorded.

Madras.—The price of new paddy is recorded.

Chingleput.—The price of new paddy is recorded.

South Arcot.—The price of new paddy is generally recorded.

North Arcot.—No uniformity is observed. In the majority of places, the prices reported are those of new paddy: in a few places, those of old paddy, and in the rest, those of either or both (*sic*) according to circumstances.

Trichinopoly.—The price of new paddy is recorded except in Trichinopoly where the price of old paddy is registered.

Tanjore.—Generally the price of new paddy such as *kár*, *kuruvai*, &c., is registered under second sort from September to January when they are sold in the market. In these months old *sambá* is treated as first sort. In other months, new *sambá* which is harvested in February, is treated as second sort, while for first sort, new grain is taken into account in some places, and old grain in others. Thus during the period when paddy of the current and previous faslis is sold in the market, the price of new paddy alone is registered as second sort in the majority of cases as this is the sort consumed by the general masses.

Madura.—The price of old paddy is recorded in five stations and that of new paddy in thirteen stations. In Dindigul the price recorded for first-sort rice relates to old paddy and that for the second sort to new paddy.

Tinnevelly.—The prices of new paddy are recorded.

Combatore.—The price of new paddy is recorded.

Nilgiris.—Paddy is found in the price returns of only Ootacamund, and what is sold there is old paddy imported.

Salem.—The price of new paddy is generally recorded. In a few stations new paddy is treated as second sort, and old paddy as first sort. The officers recording prices in these stations have been instructed to follow the principle adopted in other stations, viz., to treat that variety which is ordinarily consumed by the masses as second sort.

South Canara.—Except in Mangalore, the price of new paddy is recorded. In Mangalore the price of both old and new paddy is recorded, there being no difference in their prices.

Malabar.—The price of old paddy is recorded in some taluks, and of new in others. In Ernad and Wallavanad the price of the old paddy is recorded as first sort and that of new as second sort.

APPENDIX II.

District.	Whether the price of paddy returned is that of old or new when both the sorts are sold in the market.		Remarks.
Ganjám	Old.	..	In seven stations.
	..	New.	In four ,,
	Average price.		In one station.
Vizagapatam	Old.	..	In some stations.
	..	New.	In others.
Gódávari	Old.	..	In some stations.
	..	New.	In others.
Kistna	Old.	..	In majority of cases.
Nellore	Old.	..	In eight stations.
	..	New.	In seven ,,
	Which ever is cheap.		In one station.
Cuddapah	Old.	..	In nine taluks.
	..	New.	In two ,,
Anantapur	Old.	..	....
Bellary	Old, 1st.	New, 2nd.	In one station.
	..	New.	In three stations.
	Indiscriminately.		In two ,,
Kurnool	Old, 1st.	New, 2nd.	In one station.
	Old.	..	In one ,,
	..	New.	Other stations.
Madras	..	Do.	Being cheaper and sold largely.
Chingleput	..	Do.	....
North Arcot	..	Do.	In most stations.
	Old.	..	In a few stations.
	Both.		In some.
South Arcot	Old.	New.	....
Tanjore	..	Do.	As second sort being consumed by masses.
Trichinopoly	Old.	..	In Trichinopoly.
	..	New.	Other taluks.
Madura	Old.	..	Five stations.
	..	New.	Thirteen stations.
Tinnevelly	..	Do.	....
Coimbatore	..	..	....
	..	New.	....
Nilgiris	Old.	..	Only small quantity imported.
Salem	..	New.	....
South Canara	..	Do.	All stations except Mangalore, where the price of both old and new are the same.
Malabar	Old.	..	Three stations.
	..	New.	Four ,,
	Old, 1st.	New, 2nd.	Two ,,

The Collector suggests that the price of both the varieties may be recorded separately.

There has been no uniformity in recording prices.

Do. do.

In four other stations, no paddy is sold in the markets.

No uniformity.

In Dindigul, price for 1st sort is for old paddy and that for 2nd sort is for new paddy.

Order—No. 999, Revenue, dated 29th November 1897.

Miscellaneous.

Recorded.

2. The Government concurs in the remarks made by the Board in the last clause of paragraph 7 of the Proceedings. Instructions should be issued accordingly.

(True Extract.)

(Signed) G. S. FORBES,
Ag. Secretary to Government.

To the Board of Revenue (Revenue Settlement, Land Records and Agriculture).

Exd. Shaik Karim.

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