Revenue (1899) Department.

PRESS SERIES.

G.O., Nos 262-262 A

Dated 22nd April

[Despatch Abstract.]

Ordering to be forwarded to the Govt. of India the Board's report on the effects of the Competition of imported sugars on the profits of the Cultivation of sugarcane & of those of Sugar industry in the Presidency.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

~~G.O~~ C.No.	No.	Department.	Date.	G.O.	No.	Department.	Date.
G 120 99							

G.O. 681 (o) 15.11.98
" 962 8.3.99

REVENUE DEPARTMENT.

1899.

Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

MADRAS.

Current No 216

Recd. 28th March } 1899. *Enclosures*

Regd. 28th " } *Spare copies* ten.

Printed March th.

Proceedings, No. 77, 13th March 1899.

MARCH.

Sugars.—Submitting to Government report on the effect of the competition of imported — on the profits of the cultivation of sugar-cane and on those of sugar industry in the Presidency.

PROCEEDINGS OF THE BOARD OF REVENUE
(Revenue Settlement, Land Records and Agriculture).

Read—again Proceedings of the Board of Revenue (R.S., L.R. and Agri.), No. 443, dated 6th December 1898.

Abstract.—Forwarding to certain Collectors, for report, Government Order (Revenue Department) communicating letter from the Government of India requesting to be furnished with information as to the effect of the increasing imports of foreign sugars on the market and the price of Indian sugars and thereby on the profits of sugar-cane cultivation.

Read—also replies from Collectors to the above reference.

Read—also the following G.O., Mis. No. 962, Revenue, dated 8th March 1899 :—

Read—the following letter from C. E. P. VANSAGNEW, Esq., Vice-Chairman, Chamber of Commerce, Madras, to the Secretary to Government, Revenue Department, dated 17th February 1899 :—

With reference to the G.O., No. 681, Revenue, dated the 15th November 1898, in which the Chamber is asked to supply the Government with information on the subject of the effect of the competition of bounty-fed sugars imported into India on the local industry, I have the honour to inform you that while the area of cultivation of sugar-cane in this Presidency may not yet have been adversely affected, there can be no doubt that the competition has forced down the prices of refined sugar manufactured in this country to such a point as to seriously endanger the future of the industry.

In support of this opinion, the Chamber would invite attention to the following figures of sale prices for the last six years of sugar locally refined by the firm which is most largely interested in the manufacture of sugar in this Presidency. The prices are gross realised in Calcutta, which is the largest and most representative market in this country, and refer to only two brands, of more or less equal value :—

Year.	Highest price.	Lowest price.	
	Rs. A. P.	Rs. A. P.	
1893	10 1 0	9 15 0	per Bengal maund.
1894	9 15 0	9 8 0	„ „
1895	9 8 0	8 12 0	„ „
1896	8 14 0	8 11 6	„ „
1897	8 11 6	8 1 0	„ „
1898	8 1 0	7 10 0	„ „

In the opinion of the Chamber, the reason for this great falling off in price, notwithstanding a steady improvement in the quality of the article, is undoubtedly the reduction in the price of beet sugar during the above period brought about by the heavy bounties by which that industry is subsidised on a steadily increasing scale. With the falling off in the price of the locally-refined article, it would have been impossible to compete with the imported bounty-fed sugar but for the margin which, it is well known, refiners have in past years enjoyed on the price of raw sugars. That margin must now, with the fall in refined sugars, have disappeared, and though it may be that the price of the raw sugars may admit of some reduction, the Chamber doubts it, in view of the high price of poonac manure and the recent spread of disease among canes.

In any case, there is a limit below which raw sugar cannot be profitably produced, while there is no apparent limit to the bounties, which were again increased in Germany only last year. A further fall in the price of the refined article must

adversely influence the market for the raw product and thus react upon cultivation, leading eventually to the curtailment, if not to the complete extinction, of the Indian sugar industry.

The Chamber sees no means of escape from this calamity other than the abolition of the bounties by international agreement, or the imposition in this country of countervailing import duties on bounty-fed sugar.

Order—Mis. No. 962, Revenue, dated 8th March 1899.

The Board of Revenue is requested to submit with the least practicable delay the report called for in G.O., No. 681, dated the 15th November 1898.

2. The letter of the Vice-Chairman, Chamber of Commerce, Madras, will meantime be communicated to the Government of India.

(True Extract.)

(Signed) N. E. MARJORIBANKS,
for Secretary to Government.

To the Board of Revenue (Revenue Settlement).
„ Chairman, Chamber of Commerce, Madras.

Resolution—No. 77, dated 13th March 1899.

The Board begs to submit the following report with reference to G.O., No. 681, Revenue, dated 15th November 1898. The delay which has occurred in its preparation has been due to the necessity for referring the question to the Collectors of the chief cane-growing districts for report, and delay in obtaining their replies. These are not yet complete, but, with reference to G.O., No. 962, Revenue, dated 8th March 1899, the Board will no longer delay its report.

2. The questions referred for investigation are the effect of the competition of imported sugars into this Presidency on the cane-growing industry, and as to the possibility of any falling off in the land and canal revenues in consequence of the abandonment of sugar-cane cultivation.

3. The imports of foreign sugars by sea into the presidency have been as follows for a series of years :—

Years.	Amount imported				Re-exports
	Refined		Unrefined		Refined
	From abroad.	Coastwise.	From abroad.	Coastwise.	
	cwt.	cwt.	cwt.	cwt.	cwt.
1888-89	1,480	23,516	696	308	696
1889-90	2,633	15,989	1,038	2	888
1890-91	7,561	17,453	1,370	..	741
1891-92	5,717	18,199	979	..	791
1892-93	2,867	17,417	1,395	92	906
Average ..	4,052	18,515	1,096	80	804
1893-94	344	19,235	1	..	967
1894-95	3,695	20,580	842	..	547
1895-96	4,133	15,257	303	15	837
1896-97	3,158	12,555	277	5	623
1897-98	7,026	14,905	663	..	1,977
Average ..	3,671	16,506	417	4	990
1898-99 (nine months) ..	7,911	5,497	521	953	381

There is little or nothing in these figures to show that the imports of foreign sugars have materially or seriously increased during recent years. The bulk of the imports were received into the West Coast ports from Bombay, but in 1897–98 there was a considerable import into Ganjám from Bengal. In the first two years of the period referred to there were no direct imports of sugar from Germany or Austria-Hungary, but since 1890–91 there has been a fluctuating import, with a maximum of 4,264 cwt. during 1897–98, and as much as 6,357 cwt. during the first nine months of the current year.

Besides the imports referred to above small quantities of refined sugar produced in India are always imported from other parts of India, and in some years considerable amounts of unrefined sugar from Travancore. In addition to this, there is always a considerable amount of sugar imported into the presidency by rail. These have averaged as follows for the two periods noted above :—

	Refined.	Unrefined.
	cwt.	cwt.
During the five years ending 1892-93	39,000	43,900
During the five years ending 1897–98	45,720	35,733

These imports are therefore of more importance than those made by sea, and there has been a marked increase in the average imports of refined sugar during the later quinquennium. As a matter of fact, however, the imports of this sort of sugar during 1897–98, were the smallest made during the whole ten years. Nearly all the imports, moreover, came from Mysore, and only a fractional part from Bombay. The imports of refined sugar by rail from the port of Bombay during recent years have shown an increase, but the gross imports by this route have been trifling. It is only these latter imports that have probably consisted of foreign sugar, and when added to the imports by sea, the whole are not of great importance.

Refined sugar imported by rail from Bombay (port).

	I.M.		I.M.
1888–89	1,973	1893–94	5,419
1889–90	1,837	1894–95	4,797
1890–91	2,620	1895–96	3,239
1891–92	916	1896–97	2,468
1892–93	2,482	1897–98	5,013
Average ..	1,966		4,187
= cwt. ..	1,445		3,076

4. The Madras Presidency, however, has never been an importing province as regards sugar, but one showing large exports to other parts of India, and to foreign countries. These may be summarised as follows for the last ten years :—

Years.	Exports of sugar by sea *in hundreds of cwt.*					
	Refined.			Unrefined.		
	Abroad.	Other provinces.	Total.	Abroad.	Other provinces.	Total.
1888–89	22,8	104,0	126,8	893,7	8,5	902,2
1889–90	56,5	87,9	144,4	1,189,8	17,0	1,206,8
1890–91	15,2	98,4	113,6	780,3	129,9	910,2
1891–92	24,6	90,3	114,9	908,2	70,9	979,1
1892–93	21,0	90,9	111,9	763,7	72,7	836,4
Average ..	28,0	94,3	122,3	907,1	59,8	966,9
1893–94	50,2	105,4	155,6	1,097,2	36,5	1,133,7
1894–95	30,3	103,4	136,7	929,0	13,5	942,5
1895–96	27,4	149,5	176,9	990,9	36,2	1,027,1
1896–97	40,3	137,5	177,8	1,067,7	36,3	1,104,0
1897–98	26,2	74,3	100,5	536,0	61,3	597,3
Average ..	34,9	114,6	149,5	924,2	36,7	960,9
First nine months of 1898–99 ..	18,2	117,0	135,2	235,8	38,6	274,4

The marked increase in the exports of refined sugar during recent years shows the development of the refining industry, which appears to have been carried on, up

to 1897–98, without any detriment to the export trade in unrefined sugar, that is, jaggery. The latter is the product, not of the sugar-cane alone, but of the palmyra and other palms. The sudden decrease in the exports in 1897–98 may, in great part, be attributed to the character of the preceding season, and to the fact that the extremely high price of food-grains induced the ryots in places to decrease the area planted with cane. The exports by rail from the Presidency have also been increasing, and during 1897–98 were especially large; those of refined sugar having been the largest of the last ten years, and those of jaggery larger than in any of the previous years except 1890–91, when owing to special railway rates for through booking, large quantities were sent to Guzerat.

Exports by rail *in thousands of maunds.*								
Refined.				Unrefined.				
1888–89	40·4	1893–94	61·5	1888–89	132·5	1893–94	246·7
1889–90	42·7	1894–95	44·1	1889–90	96·9	1894–95	302·7
1890–91	49·9	1895–96	49·4	1890–91	376·8	1895–96	233·3
1891–92	50·6	1896–97	64·1	1891–92	278·9	1896–97	258·5
1892–93	41·6	1897–98	107·4	1892–93	186·9	1897–98	339·8
Average ..	45·0		65·3		214·4		276·2
Cwt. ..	33·0		42·1		157·5		202·9

The bulk of the rail exports of refined sugar always goes to Mysore and Hyderabad, and in 1897–98 there was a marked increase in the despatches to the former Province, whilst both in 1896–97 and 1897–98 there were large and unprecedented exports to Bengal from the Northern Circars *—a fact which may explain the imports of the same article by sea at Gopalpore.

* Year.	Indian Maunds.	
	Total.	To Bengal.
1896–97	11,696	11,606
1897–98	17,087	16,656

The provinces to which the rail exports of jaggery have been despatched are as follow :—

Years.	Thousands of maunds.			
	Bombay.	Hyderabad.	Mysore.	Others.
1888–89	59	19	54	..
1889–90	44	30	23	..
1890–91	250	106	16	5
1891–92	147	94	37	1
1892–93	108	54	24	1
1893–94	108	42	96	1
1894–95	76	53	173	..
1895–96	94	49	90	..
1896–97	128	47	79	5
1897–98	141	77	97	25

5. Taken all together the falling off in the exports of 1897–98 was not much, if at all, greater than might have been anticipated after so unfavourable a season as that of 1896–97. The bulk of the exports of refined sugar abroad goes to Ceylon, and the trade does not seem to have been affected. The exports of the same sort by sea to Bengal were especially large in 1895–96 and 1896–97, and fell off greatly during 1897–98, but during the first nine months of the current official year were greater than they had been in any previous complete year. Those to Bombay, though smaller during the last four years than for some time previous, were greater in 1897–98 than in 1888–89 to that province, and the exports to Burma appear to have been well maintained.

The bulk of the exports of jaggery abroad has usually gone to the United Kingdom and these in 1897–98 were less than half those of previous years, and the decrease continues. The exports to other countries, except about ten to fifteen thousand cwt. to Ceylon, have, during the last ten years, been most irregular, and there appears to be nothing to be learnt from an analysis thereof. Of those sent to other parts of India, the bulk goes to Bombay, and these exports do not show any material change of late years.

Excepting, therefore, the decrease in the exports of jaggery to the United Kingdom during the last two years, there is nothing in the trade figures to give ground for anxiety as to the state of the sugar industry.

6. Turning next to the figures of area planted with cane of late years, it will be seen from the appended statements that in the ryotwari villages of the Presidency there has usually been a little less than 60,000 acres planted. In 1887–88 the price of sugar in India was extremely low, but rose again somewhat in the next few years, but in 1891–92 again fell, to be followed in the next year by a very sharp rise, which has however not been maintained. The area planted with cane was at a minimum in 1892–93, partly no doubt as a consequence of the preceding bad seasons, and partly owing to the fall in the price of jaggery. High prices in good years induced more extensive planting which rose to a maximum in 1894–95, but in 1896 the inducements were decreased and the prices of food-grains rose sharply and continue at a very high level still.

Such falling off, as there has been during the last three years for which figures are available, has occurred in the Circars and Deccan districts, which suffered most severely from the recent famine. In Gódávari, however, there has also probably been some restriction of area owing to the loss of crop from the outbreak of disease amongst the canes. In South Arcot and in the Central districts there has been a material increase in the area planted during the last few years. The information available shows that for the current year the decrease in the Circars, chiefly Gódávari, has continued and that there has been some falling off in South Arcot and the Central districts, but in the Deccan, almost the normal area has been planted, except in Kurnool and Anantapur.

7. Statistics of the area devoted to the production of sugar from palms are also enclosed, but for the earlier years at least these are not trustworthy, for it was not until 1893–94 that the large area occupied by palmyra palms in Tinnevelly were properly recorded. It is in that district alone that this industry is of much importance. As the Collector's report shows, the industry has not been affected by the competition of bounty-fed sugar.

8. From the reports of the other Collectors, it will be seen that in most cases the conclusion arrived at by local enquiries is to the effect that the cane-growing industry, has not been, as yet, affected by foreign imports, and this is borne out by the fact that the latest quotations of the price asked for jaggery for shipment (Madras Chamber of Commerce reports) do not show any depression. Jaggery, that is unrefined sugar, is preferred by most classes in this Presidency for home use, and up to the present, as has already been shown, there has been no very great importation of foreign sugar. The price of refined sugar is so much higher than that of the unrefined article that the former is not likely to displace the latter for local use and thus the producer will apparently always be secure of a certain demand. Large imports of refined sugar may seriously affect the sugar-refining factories, as appears to have been the case at Aska and Ranipet; but of late years this industry has been undergoing considerable development, three new factories having been opened in Tinnevelly, one in Coimbatore and one in North Arcot (Ranipet), whilst a new factory on a large scale is about to be opened in Gódávari. Continued unchecked and increasing imports of cheap refined sugar into other parts of India would deprive these factories of the greater part of the market for their output. The competition of the bounty-fed sugar appears also to have in a great measure crushed the export trade of jaggery to the United Kingdom, as local prices for the article have not been such as to allow of profitable export thereto.

Thus, though not encouraging, the outlook for the sugar grower in this Presidency would not appear at all hopeless even had it not been proposed to impose countervailing duties on bounty-fed sugar imported.

9. As to the second question of the Government of India, the land assessments being fixed without reference to the profits from such special crops as sugar-cane, cannot be affected by any fluctuations in the area planted with that crop. The same is almost equally true in regard to the water-rates under canals, for though sugar-cane pays double the rate of an ordinary wet-crop—paddy—yet, if sugar-cane were given up, in most cases, two crops of paddy would be grown on the land and the difference in the water-rates payable would be in some case nothing and in others very small. No statistics are available to show how much of the water-rates charged as additional to the land assessment are imposed for sugar-cane crops, but the amount concerned is not very great, as a good deal of the cane that is grown is matured by the aid of irrigation from wells, and the gross charge for a second crop of 60,000 acres would only amount to about Rs. 2,00,000. Of this, a considerable portion is included in the land assessment where the land bears a consolidated or compounded rate for two crops.

(True Copy and Extract.)

for Secretary.

To the Secretary to Government, Revenue Department.

Copy to all Collectors.

" the Chamber of Commerce, Madras.

APPENDIX A.

Précis of replies from Collectors.

Ganjám.—Export of refined sugar by sea has dwindled down from 9,993 cwt. in 1895-96 to 7 cwt. in 1897–98. Import of foreign sugar by sea increased from 75 cwt. in 1895-96 to 13,448 cwt. * in 1897–98. So, the locally-manufactured sugar has been largely deprived even of its local market.

* *Note.*—This is incorrect as, of the amount imported coastwise 10,987 cwt. were of Indian produce, mostly received from other parts of the Presidency.

Import of jaggery by sea fell from 12,759 cwt. in 1895–96 to 39 cwt. in 1897–98, owing to loss in the manufacture of local sugar. The outturn of sugar at the Aska factory has fallen from 15,960 maunds in 1896 to 9,640 maunds in 1898 and the selling price thereof has fallen from Rs. 22 in 1894 to Rs. 16 in 1898 per bag of 168 lb.

Reliable figures are not available as to the value of jaggery manufactured by the ryots. Though there has been a decrease in the area planted, owing to the disturbing influences of the famine, it is too early to form any correct idea as to how the extent under cane cultivation, and consequently the irrigation revenue, will be affected. The Collector believes that but for the fall in the value of sugar, there would have been a larger extension of cultivation of the crop under the Rushikulya project than has taken place. The revenue derived from cane cultivation is not an appreciable item, but that revenue is capable of considerable extension if the present adverse conditions do not exist. It is reported that Aska factory is likely to be closed, sugar manufacture being unprofitable.

Vizagapatam.—Refined sugar is supplied by Messrs. Parry & Co. from their factories neither sugar-cane cultivation nor price of jaggery affected by imports from Mauritius.

Gódávari.—Area planted not affected by import of bounty-aided sugars; up to 1895-96 gradually extended, after which unfavourable seasons and fall in prices caused reduction of area, but fall is chiefly due to disease and not to competition of foreign sugars. If disease can be combated, no loss of revenue anticipated.

Bellary.—Demand for sugar is not great; it is required only in small quantities for sweetmeats. Jaggery which is preferred for every day consumption is alone manufactured from sugar-cane and the importation of sugar will not therefore affect the cultivation of sugar-cane. The decrease in the area planted since fasli 1305 is not due to foreign imports of sugar but to a desire on the part of the ryots to grow food crops instead of cane, this being more profitable in times of scarcity.

Anantapur.—No sugar industry in the district, only jaggery is manufactured from sugar-cane in the taluks of Hindupur and Penukonda.

Cuddapah.—Report not received.

South Arcot.—There is no import of sugar at the ports of the district and the Sub-Collector states that there is no decrease in cane cultivation in his division. The Agent of Messrs. Parry & Co. at Cuddalore attributes the decrease in cane cultivation to high price of paddy during the last few years and the low price offered for sugar-cane owing to the importation of foreign sugar.

Note.—The area statistics show an increase in 1896-97 and 1897-98.

North Arcot.—Reports from all Divisional-officers not received. The report of the General Deputy Collector shows that no foreign sugar is imported and none manufactured in his division. The Ranipet sugar works are to be closed on the 5th March owing to the competition of foreign bounty-fed sugar.

Salem.—The area under sugar-cane cultivation is small and has not decreased. Jaggery alone is manufactured from the canes and the canes are not exported. Imported sugar is not largely used except in towns. The importation of foreign sugar has not produced any appreciable effect on the cultivation of the cane or on the profits of such cultivation or on the price of jaggery.

Coimbatore.—The bounty system has had no effect upon the sugar industry because the price of the native unrefined sugar is too high to admit of its paying to refine it. The local sugar is much valued by the Brahmins of Travancore as being free from anything offending caste prejudices.

Trichinopoly.—Foreign imports had no effect on cultivation of cane which has shown steady increase. Crop usually raised on double crop land; no decrease of land revenue impossible even if crop abandoned. Price of local made sugar falling, but this is attributed to market being glutted by overproduction locally.

Tinnevelly.—There are no grounds for holding that palm sugar industry has, in any way, been affected by the importation of foreign sugar. The quantity of palm jaggery brought to market in 1898 was much larger* than in any of the preceding years except 1893. The number of trees tapped for sweet juice has not decreased, nor has the value of the palmyra trees gone down generally. All the Tahsildars are unanimous in stating that the condition of the Shánárs who manufacture jaggery has not deteriorated in the past ten years.

* Years.	Candies of 500 lb. each.
1892	48,213
1893	123,942
1894	78,551
1895	76,407
1896	84,348
1897	79,201
1898	100,155

APPENDIX B.

AREAS planted with sugar-cane in the Madras Presidency.

Group.	District.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.
1	2	3	4	5	6	7
		ACS.	ACS.	ACS.	ACS.	ACS.
Circars	Ganjám	2,934	1,582	1,606	2,435	2,320
	Vizagapatam	5,425	7,205	5,660	6,088	2,507
	Gódávari	7,154	7,856	8,929	8,842	6,629
	Kurnool	981	693	981	760	288
Deccan	Bellary	9,647	9,494	8,975	7,771	9,055
	Anantapur	2,337	2,412	1,847	1,528	961
	Cuddapah	4,774	5,162	5,162	4,081	5,713
Carnatic	South Arcot	6,659	4,570	4,268	6,895	5,592
	North Arcot	5,038	5,966	5,072	5,658	4,567
	Salem	2,220	2,335	2,018	2,077	1,523
Central	Coimbatore	5,362	5,852	5,156	3,934	4,697
	Trichinopoly	4,748	4,709	5,135	6,073	4,825
Southern and West Coast.	....	974	1,142	1,023	1,156	1,322
	South Canara	1,008	1,052	860	922	967
Other districts ..	....	97	145	178	153	208
	Total ..	59,358	59,975	56,870	58,373	51,174

Group.	District.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
1	2	8	9	10	11	12
		ACS.	ACS.	ACS.	ACS.	ACS.
Circars	Ganjám	2,724	2,809	2,080	1,845	2,034
	Vizagapatam	2,969	3,028	2,855	2,792	1,919
	Gódávari	8,966	9,295	9,336	8,209	6,652
	Kurnool	547	736	913	568	291
Deccan	Bellary	8,641	9,440	9,958	7,681	6,718
	Anantapur	1,520	2,025	1,905	1,616	872
	Cuddapah	3,275	4,453	3,328	2,947	2,537
Carnatic	South Arcot	7,763	6,914	8,241	10,853	10,591
	North Arcot	4,796	4,585	5,369	5,952	5,190
	Salem	1,984	2,441	2,285	2,368	2,746
Central	Coimbatore	4,984	6,769	5,637	4,724	5,235
	Trichinopoly	6,580	6,649	4,483	5,855	10,304
Southern and West Coast.	....	1,706	1,868	1,261	1,212	2,064
	South Canara	983	977	762	1,067	1,068
Other districts ..	....	231	204	178	227	153
	Total ..	57,669	62,193	58,591	57,916	58,374

APPENDIX C.

AREA reported as occupied by Palms grown for sugar in the Madras Presidency.

Group.	1888-89.	1889-90.	1890-91.	1891-92.	1892-93.	1893-94.	1894-95.	1895-96.	1896-97.	1897-98.
	ACS.	ACS.	ACS.	ACS.	ACS.	ACS.	ACS.	ACS.	ACS.	ACS.
Circars	1,550	1,781	1,682	1,624	5,266	1,118	742	517	3,692	3,591
Deccan	1,402	891	875	261	5,372	7,382	807	3,960	4,010	3,717
Carnatic	6,816	9,418	6,097	2,998	3,643	4,144	4,954	4,433	5,611	4,984
Central	1,065	863	1,390	808	845	988	1,243	1,216	1,244	1,189
Southern. Tanjore ..	1,074	1,540	1,377	59	148	101	377	726	760	830
Madura ..	388	564	619	140	426	411	300	531	557	556
Tinnevelly ..	945	1,046	627	2,856	39,657	62,929	49,054	53,552	51,455	50,497
West Coast	1,417	1,458	1,533	920	847	796	684	623	577	573
Total ..	14,657	17,561	14,200	9,666	56,204	77,869	58,161	65,558	67,906	65,937

Exd. Md. Pahilwan.

Revenue (1899.) Department.

CURRENT No. 2260.

Order

From The Board of Revenue,
Revenue Settlement,
Land Records and
Agriculture,
No. 1686 Misc:

Dated 28th March '99.
Received 31/3/99
Registered 15th April.
Enclosures 2.
Spare copies —

SUBJECT.

Submitting for the information of Government, in Continuation of Board's Proceedings, No 77 of 99, report from the Collector of Cuddapah on the effect on sugar-cane industry in his District.

BACK PAPERS.

G.O.	No.	Department.	Date.
	681		15.11.98.
	962		8.3.99.
	3817		22.9.98.
	2444		7.6.98.
	1490		28.3.98.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

(Sett. 13—3,000—25-4-98.

REVENUE BOARD OFFICE MADRAS

24

Proceedings of the Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

Dated 28th March 1899.

No. 1686. Mis

READ the following letter from H. O. D. Harding Esquire Collector of Cuddapah, Dis No 91 of 99 dated 23rd March 1899:—

In reply to Board's Proceedings No 443 dated 6th December 1898, Calling for a report as to the effect of the competition of imported sugars on the cultivation of sugarcane, on the profits of such cultivation and on those of sugar Industry, I have the honour to state that the sugarcane cultivation is confined mostly to the four subdivision Talugs in this District. The Sub collectors report (Copy herewith forwarded) deals with all the points referred to in the Government Order quoted in the Proceedings under reply;

and

Cuddapah Sub Collecto... natives
...ny thing
Dated 12th March ...e

From

W. Francis Esquire
Ag Sub Collector of Cuddapah.

To

The Collector of Cuddapah.

Sir.

With reference to your footnote. Reference on Current No $\frac{5}{BHG}$ of 99. dated 28th December 1898 (received by me on 18th February 1899) I have the honour to report on the effect of the increasing imports of foreign sugars.

2. The points on which the report is called for are (1) what is the effect of the competition of imported sugars (a) on the Condition of sugarcane, (b) on the profits of such cultivation and (c) on the profits of the sugar Industry and (2) whether there is any possibility of a falling off in the land revenue in consequence of the abandonment of sugarcane Cultivation

I fully agree with the Sub Collector in thinking that the importation of better sugar has not affected the cultivation of sugarcane or the profits thereof in this District. As regards the sugar Industry, I have to say that sugar of an ordinary kind is made in one village in Vayalpad Taluq and exported to the North Arcot District.

2. The falling off gradually in the area of cultivation of sugarcane is, as reported by the Sub Collector, due more to the short rainfall of recent years than to importation of better sugar from elsewhere.

Resolution:—

Submitted for the information of Government, in Continuation of Boards Proceedings, 77 dated 13th March '99. CDo. 2166/99.

(True copy and Extract)

P. C. Smidaseir
Secretary

To

Secretary to Government.
Revenue Department.

Cudd. 393

ation. As regards point
2 I beg to append a statement
showing the extent of cultivation
of sugarcane in the four Talukas
of this Division. In Madanapalli
and Voyalpad Talukas information
is available for 10 years, while in
Kadiri and Royachoti, where little
sugarcane is grown, statistics for
9 and 6 years respectively are
available. It will be seen from
this statement that in the last few years
there has been a gradual falling
off in the acreage under sugar
-cane in all the talukas. All the
Tahsildars except the Royachoty
Tahsildar, who has not given
much information on the subject,
report that the decrease in
cultivation is due not to the
import of refined sugars, but
to bad seasons, and I agree with
them. Refined sugar is only
used by Europeans and to a
small extent by the better class
of natives. These latter only use
it for special purposes, such
as with tea or coffee or for
sweetmeats: for all ordinary cook
-ing purposes they employ the
cheaper

cheaper jaggery. The poorer natives
may be said to never use anything
but jaggery. Nearly all the cane
in the Division is used for jaggery
making and as long as the peo-
-ple generally continue to use
jaggery rather than refined sugar
as at present, the area under
sugar will not be affected by
importation of better sugar else-
-where.

As to point 16 much the
same remarks apply. Sugar-
-cane cultivation is regarded in
these parts as a more lucrative
undertaking than the growing
of ordinary grains in spite of
the enormous labour and expense
involved in manuring and tilling
and watering it and in the
manufacture of the jaggery; and
wherever the season is favourable
the ryots avail themselves of the
opportunity of growing as much
sugarcane as circumstances will
permit. Whether the import of re-
-fined sugars has affected the
profits of this cultivation is more
than doubtful. No record is avail

to show the rates at which the Jaggery was sold in recent years, but as almost all the cane in the division is used for Jaggery for local consumption and not for export, it follows from what has been stated above, that imports of foreign sugars would not affect prices. It appears from local enquiry made by the Tahsildars that the price of Jaggery is low at present but this seems rather to be owing to the dullness of trade in general due to the Plague Scare, rather than to any sup planting of the coarser by the finer articles.

With regard to point 1.(c) Sugar is only manufactured in this Division at Tyeravaripallam, where a common kind is made by certain Labbays who export it to the North Arcot District. North Arcot officials could probably say whether it holds its own with foreign rivals, but there is no information here.

As to point (2) there is no possibility of any falling off in the Revenue on account of the decrease in the Cultivation of sugar cane on wet lands. Sugar cane is grown for the most part on the best land on which other crops also can be grown, and no extra assessment is demanded for its Cultivation on ordinary wet land so that if it all ceased to be grown to-morrow, paddy or ragi would take its place and Government would not suffer. If sugar-cane is grown on dry land the maximum water-rate, which is equivalent to the rate levied for two wet crops, is no doubt levied, but such cases are very rare.

I have etc.

(Signed) W. Francis
Acting Sub Collector.

(True Copy).

(Signed) H. C. D. Harding.
Acting Collector.

(True Copy)

R. V. Srinivasan
Secretary

Statement showing the acreage of Sugarcane in the District of Cuddapah for a series of years.

Year.	Extent of Cultivation of Sugarcane.				Total Cultivation for the Sub-division & Taluks.	Total Cultivation of the District.
	Madanapalle	Vayalpad	Kadiri	Koyalcheruvu		
1888-89.	2944	1145	"	not available		
1889-90	3045	1309	598			
1890-91.	3174	3318	not available.			
1891-92	2356	781.	186.			
1892-93	1785	731	252	117		
1893-94	2045	596	333	72		
1894-95	3244	736	347	66	4393	4453.
1895-96	2117	814	304	55	3290	3328
1896-97	1773	736	180	63	2752	2947
1897-98	1399	783	157	42	2381	2537.
1898-99	"	"	171	"	"	"
Total.	23882	10949	2528	415.		
Average	2382	1095.	251	69		

(True Copy)

(Sigd) K. V. Krishna Ayyar
Ag Collector

(True Copy)

K. V. Srinivasachari
Secretary

Ecd 3/99

REVENUE DEPT.
Recd. No. 1
Dat. 2280

E

Revenue Department

If Read B.P (Rev. Sett.)
77 dy 13.3.1899. (C. no. 2166)
" " No. 1686 mis.,
28.3.99 (C. no. 2260)
G.O. Revn no. 262 dy 22nd April 1899

Ordered that the
Board's report be forwarded
to the Govt of India in
continuation of Endt No. 962
dy 8.3.99.

22/4

10-5-99

To
21 The Board of Revenue
(Rev Sett.)

Endt. no. 262 A.

Copy to the Govt of
India, Rev. & Agri. Dept. in
continuation of Endt
No. 962 A dt. 8-3-99.

Note.

The Govt of India
merely asked that th
results of the enquir
might be communicat
to it. No remarks we
called for, especial

Printed urgent Dasto
22/4/99.

JP

Sept Rev: No. 45

Asd. 10-5-99

Last sentence of para 3
on page 2 of Gp. 681 Rev
15-11-98.

REVENUE DEPTT.
2
Sept 99

as the Sugar Bounties Bill has already been passed.

5/4/99.

7.4.99

Government {1899} of Madras.

REVENUE.

Recd. } 1899. *Enclosures*

Regd. } *Spare copies*

G.O., Nos. 262, 262A, 22nd April 1899.

APRIL.

Competition of imported sugars.

Ordering to be forwarded to the Government of India the Board's report on the effect of the — on the profits of the cultivation of sugarcane and on those of sugar industry in the Presidency.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

Read—the following Proceedings of the Board of Revenue (Revenue Settlement, Land Records and Agriculture), No. 77, dated 13th March 1899 :—

Read—again Proceedings of the Board of Revenue (R.S., L.R. and Agri.), No. 443, dated 6th December 1898.

Abstract.—Forwarding to certain Collectors, for report, Government Order (Revenue Department) communicating letter from the Government of India requesting to be furnished with information as to the effect of the increasing imports of foreign sugars on the market and the price of Indian sugars and thereby on the profits of sugar-cane cultivation.

Read—also replies from Collectors to the above reference.

Read—also the following G.O., Mis. No. 962, Revenue, dated 8th March 1899 :—

Read—the following letter from C. E. P. VANSAGNEW, Esq., Vice-Chairman, Chamber of Commerce, Madras, to the Secretary to Government, Revenue Department, dated 17th February 1899 :—

With reference to the G.O., No. 681, Revenue, dated the 15th November 1898, in which the Chamber is asked to supply the Government with information on the subject of the effect of the competition of bounty-fed sugars imported into India on the local industry, I have the honour to inform you that while the area of cultivation of sugar-cane in this Presidency may not yet have been adversely affected, there can be no doubt that the competition has forced down the prices of refined sugar manufactured in this country to such a point as to seriously endanger the future of the industry.

In support of this opinion, the Chamber would invite attention to the following figures of sale prices for the last six years of sugar locally refined by the firm which is most largely interested in the manufacture of sugar in this Presidency. The prices are gross realised in Calcutta, which is the largest and most representative market in this country, and refer to only two brands, of more or less equal value :—

Year.	Highest price.	Lowest price.	
	RS. A. P.	RS. A. P.	
1893	10 1 0	9 15 0	per Bengal maund.
1894	9 15 0	9 8 0	„ „
1895	9 8 0	8 12 0	„ „
1896	8 14 0	8 11 6	„ „
1897	8 11 6	8 1 0	„ „
1898	8 1 0	7 10 0	„ „

In the opinion of the Chamber, the reason for this great falling off in price, notwithstanding a steady improvement in the quality of the article, is undoubtedly the reduction in the price of beet sugar during the above period brought about by the heavy bounties by which that industry is subsidised on a steadily increasing scale. With the falling off in the price of the locally-refined article, it would have been impossible to compete with the imported bounty-fed sugar but for the margin which, it is well known, refiners have in past years enjoyed on the price of raw sugars. That margin must now, with the fall in refined sugars, have disappeared, and though it may be that the price of the raw sugars may admit of some reduction, the Chamber doubts it, in view of the high price of poonac manure and the recent spread of disease among canes.

In any case, there is a limit below which raw sugar cannot be profitably produced, while there is no apparent limit to the bounties, which were again increased in Germany only last year. A further fall in the price of the refined article must

adversely influence the market for the raw product and thus react upon cultivation, leading eventually to the curtailment, if not to the complete extinction, of the Indian sugar industry.

The Chamber sees no means of escape from this calamity other than the abolition of the bounties by international agreement, or the imposition in this country of countervailing import duties on bounty-fed sugar.

Order—Mis. No. 962, Revenue, dated 8th March 1899.

The Board of Revenue is requested to submit with the least practicable delay the report called for in G.O., No. 681, dated the 15th November 1898.

2. The letter of the Vice-Chairman, Chamber of Commerce, Madras, will meantime be communicated to the Government of India.

(True Extract.)

(Signed) N. E. MARJORIBANKS,
for Secretary to Government.

To the Board of Revenue (Revenue Settlement).
„ Chairman, Chamber of Commerce, Madras.

Resolution—No. 77, dated 13th March 1899.

The Board begs to submit the following report with reference to G.O., No. 681, Revenue, dated 15th November 1898. The delay which has occurred in its preparation has been due to the necessity for referring the question to the Collectors of the chief cane-growing districts for report, and delay in obtaining their replies. These are not yet complete, but, with reference to G.O., No. 962, Revenue, dated 8th March 1899, the Board will no longer delay its report.

2. The questions referred for investigation are the effect of the competition of imported sugars into this Presidency on the cane-growing industry, and as to the possibility of any falling off in the land and canal revenues in consequence of the abandonment of sugar-cane cultivation.

3. The imports of foreign sugars by sea into the presidency have been as follows for a series of years :—

Years.	Amount imported				Re-exports
	Refined		Unrefined		
	From abroad.	Coastwise.	From abroad.	Coastwise.	Refined.
	CWT.	CWT.	CWT.	CWT.	CWT.
1888-89	1,480	23,516	696	308	696
1889-90	2,633	15,989	1,038	2	888
1890-91	7,561	17,453	1,370	..	741
1891-92	5,717	18,199	979	..	791
1892-93	2,867	17,417	1,395	92	906
Average ..	4,052	18,515	1,096	80	804
1893-94	344	19,235	1	..	967
1894-95	3,695	20,580	842	..	547
1895-96	4,133	15,257	303	15	837
1896-97	3,158	12,555	277	5	623
1897-98	7,026	14,905	663	..	1,977
Average ..	3,671	16,506	417	4	990
1898-99 (nine months) ..	7,911	5,497	521	953	381

There is little or nothing in these figures to show that the imports of foreign sugars have materially or seriously increased during recent years. The bulk of the imports were received into the West Coast ports from Bombay, but in 1897–98 there was a considerable import into Ganjám from Bengal. In the first two years of the period referred to there were no direct imports of sugar from Germany or Austria-Hungary, but since 1890–91 there has been a fluctuating import, with a maximum of 4,264 cwt. during 1897–98, and as much as 6,357 cwt. during the first nine months of the current year.

Besides the imports referred to above small quantities of refined sugar produced in India are always imported from other parts of India, and in some years considerable amounts of unrefined sugar from Travancore. In addition to this, there is always a considerable amount of sugar imported into the presidency by rail. These have averaged as follows for the two periods noted above :—

	Refined.	Unrefined.
	CWT.	CWT.
During the five years ending 1892–93	39,000	43,900
During the five years ending 1897–98	45,720	35,733

These imports are therefore of more importance than those made by sea, and there has been a marked increase in the average imports of refined sugar during the later quinquennium. As a matter of fact, however, the imports of this sort of sugar during 1897–98, were the smallest made during the whole ten years. Nearly all the imports, moreover, came from Mysore, and only a fractional part from Bombay. The imports of refined sugar by rail from the port of Bombay during recent years have shown an increase, but the gross imports by this route have been trifling. It is only these latter imports that have probably consisted of foreign sugar, and when added to the imports by sea, the whole are not of great importance.

Refined sugar imported by rail from Bombay (port).

	I.M.		I.M.
1888–89	1,973	1893–94	5,419
1889–90	1,837	1894–95	4,797
1890–91	2,620	1895–96	3,239
1891–92	916	1896–97	2,468
1892–93	2,482	1897–98	5,013
Average ..	1,966		4,187
= cwt. ..	1,445		3,076

4. The Madras Presidency, however, has never been an importing province as regards sugar, but one showing large exports to other parts of India, and to foreign countries. These may be summarised as follows for the last ten years :—

Years.	Exports of sugar by sea *in hundreds of cwt.*					
	Refined.			Unrefined.		
	Abroad.	Other provinces.	Total.	Abroad.	Other provinces.	Total.
1888–89	22,8	104,0	126,8	893,7	8,5	902,2
1889–90	56,5	87,9	144,4	1,189,8	17,0	1,206,8
1890–91	15,2	98,4	113,6	780,3	129,9	910,2
1891–92	24,6	90,3	114,9	908,2	70,9	979,1
1892–93	21,0	90,9	111,9	763,7	72,7	836,4
Average ..	28,0	94,3	122,3	907,1	59,8	966,9
1893–94	50,2	105,4	155,6	1,097,2	36,5	1,133,7
1894–95	30,3	103,4	136,7	929,0	13,5	942,5
1895–96	27,4	149,5	176,9	990,9	36,2	1,027,1
1896–97	40,3	137,5	177,8	1,067,7	36,3	1,104,0
1897–98	26,2	74,3	100,5	536,0	61,3	597,3
Average ..	34,9	114,6	149,5	924,2	36,7	960,9
First nine months of 1898–99 ..	18,2	117,0	135,2	235,8	38,6	274,4

The marked increase in the exports of refined sugar during recent years shows the development of the refining industry, which appears to have been carried on, up

to 1897–98, without any detriment to the export trade in unrefined sugar, that is, jaggery. The latter is the product, not of the sugar-cane alone, but of the palmyra and other palms. The sudden decrease in the exports in 1897–98 may, in great part, be attributed to the character of the preceding season, and to the fact that the extremely high price of food-grains induced the ryots in places to decrease the area planted with cane. The exports by rail from the Presidency have also been increasing, and during 1897–98 were especially large; those of refined sugar having been the largest of the last ten years, and those of jaggery larger than in any of the previous years except 1890–91, when owing to special railway rates for through booking, large quantities were sent to Guzerat.

Exports by rail *in thousands of maunds.*							
Refined.				Unrefined.			
1888–89	40·4	1893–94	61·5	1888–89	132·5	1893–94	246·7
1889–90	42·7	1894–95	44·1	1889–90	96·9	1894–95	302·7
1890–91	49·9	1895–96	49·4	1890–91	376·8	1895–96	233·3
1891–92	50·6	1896–97	64·1	1891–92	278·9	1896–97	258·5
1892–93	41·6	1897–98	107·4	1892–93	186·9	1897–98	339·8
Average ..	45·0		65·3		214·4		276·2
Cwt. ..	33·0		42·1		157·5		202·9

The bulk of the rail exports of refined sugar always goes to Mysore and Hyderabad, and in 1897–98 there was a marked increase in the despatches to the former Province, whilst both in 1896–97 and 1897–98 there were large and unprecedented exports to Bengal from the Northern Circars *—a fact which may explain the imports of the same article by sea at Gopalpore.

* Year.	Indian Maunds.	
	Total.	To Bengal.
1896–97	11 696	11,606
1897–98	17,087	16,656

The provinces to which the rail exports of jaggery have been despatched are as follow :—

Years.	Thousands of maunds.			
	Bombay.	Hyderabad.	Mysore.	Others.
1888–89	59	19	54	..
1889–90	44	30	23	..
1890–91	250	106	16	5
1891–92	147	94	37	1
1892–93	108	54	24	1
1893–94	108	42	96	1
1894–95	76	53	173	..
1895–96	94	49	90	..
1896–97	128	47	79	5
1897–98	141	77	97	25

5. Taken all together the falling off in the exports of 1897–98 was not much, if at all, greater than might have been anticipated after so unfavourable a season as that of 1896–97. The bulk of the exports of refined sugar abroad goes to Ceylon, and the trade does not seem to have been affected. The exports of the same sort by sea to Bengal were especially large in 1895–96 and 1896–97, and fell off greatly during 1897–98, but during the first nine months of the current official year were greater than they had been in any previous complete year. Those to Bombay, though smaller during the last four years than for some time previous, were greater in 1897–98 than in 1888–89 to that province, and the exports to Burma appear to have been well maintained.

The bulk of the exports of jaggery abroad has usually gone to the United Kingdom and these in 1897–98 were less than half those of previous years, and the decrease continues. The exports to other countries, except about ten to fifteen thousand cwt. to Ceylon, have, during the last ten years, been most irregular, and there appears to be nothing to be learnt from an analysis thereof. Of those sent to other parts of India, the bulk goes to Bombay, and these exports do not show any material change of late years.

Excepting, therefore, the decrease in the exports of jaggery to the United Kingdom during the last two years, there is nothing in the trade figures to give ground for anxiety as to the state of the sugar industry.

6. Turning next to the figures of area planted with cane of late years, it will be seen from the appended statements that in the ryotwari villages of the Presidency there has usually been a little less than 60,000 acres planted. In 1887–88 the price of sugar in India was extremely low, but rose again somewhat in the next few years, but in 1891–92 again fell, to be followed in the next year by a very sharp rise, which has however not been maintained. The area planted with cane was at a minimum in 1892–93, partly no doubt as a consequence of the preceding bad seasons, and partly owing to the fall in the price of jaggery. High prices in good years induced more extensive planting which rose to a maximum in 1894–95, but in 1896 the inducements were decreased and the prices of food-grains rose sharply and continue at a very high level still.

Such falling off, as there has been during the last three years for which figures are available, has occurred in the Circars and Deccan districts, which suffered most severely from the recent famine. In Gódávari, however, there has also probably been some restriction of area owing to the loss of crop from the outbreak of disease amongst the canes. In South Arcot and in the Central districts there has been a material increase in the area planted during the last few years. The information available shows that for the current year the decrease in the Circars, chiefly Gódávari, has continued and that there has been some falling off in South Arcot and the Central districts, but in the Deccan, almost the normal area has been planted, except in Kurnool and Anantapur.

7. Statistics of the area devoted to the production of sugar from palms are also enclosed, but for the earlier years at least these are not trustworthy, for it was not until 1893–94 that the large area occupied by palmyra palms in Tinnevelly were properly recorded. It is in that district alone that this industry is of much importance. As the Collector's report shows, the industry has not been affected by the competition of bounty-fed sugar.

8. From the reports of the other Collectors, it will be seen that in most cases the conclusion arrived at by local enquiries is to the effect that the cane-growing industry, has not been, as yet, affected by foreign imports, and this is borne out by the fact that the latest quotations of the price asked for jaggery for shipment (Madras Chamber of Commerce reports) do not show any depression. Jaggery, that is unrefined sugar, is preferred by most classes in this Presidency for home use, and up to the present, as has already been shown, there has been no very great importation of foreign sugar. The price of refined sugar is so much higher than that of the unrefined article that the former is not likely to displace the latter for local use and thus the producer will apparently always be secure of a certain demand. Large imports of refined sugar may seriously affect the sugar-refining factories, as appears to have been the case at Aska and Ranipet; but of late years this industry has been undergoing considerable development, three new factories having been opened in Tinnevelly, one in Coimbatore and one in North Arcot (Ranipet), whilst a new factory on a large scale is about to be opened in Gódávari. Continued unchecked and increasing imports of cheap refined sugar into other parts of India would deprive these factories of the greater part of the market for their output. The competition of the bounty-fed sugar appears also to have in a great measure crushed the export trade of jaggery to the United Kingdom, as local prices for the article have not been such as to allow of profitable export thereto.

Thus, though not encouraging, the outlook for the sugar grower in this Presidency would not appear at all hopeless even had it not been proposed to impose countervailing duties on bounty-fed sugar imported.

9. As to the second question of the Government of India, the land assessments being fixed without reference to the profits from such special crops as sugar-cane, cannot be affected by any fluctuations in the area planted with that crop. The same is almost equally true in regard to the water-rates under canals, for though sugar-cane pays double the rate of an ordinary wet-crop—paddy—yet, if sugar-cane were given up, in most cases, two crops of paddy would be grown on the land and the difference in the water-rates payable would be in some case nothing and in others very small. No statistics are available to show how much of the water-rates charged as additional to the land assessment are imposed for sugar-cane crops, but the amount concerned is not very great, as a good deal of the cane that is grown is matured by the aid of irrigation from wells, and the gross charge for a second crop of 60,000 acres would only amount to about Rs. 2,00,000. Of this, a considerable portion is included in the land assessment where the land bears a consolidated or compounded rate for two crops.

(True Copy and Extract.)

(Signed) C. BENSON,
for Secretary.

To the Secretary to Government, Revenue Department.

Copy to all Collectors.

„ the Chamber of Commerce, Madras.

APPENDIX A.

Précis of replies from Collectors.

Ganjám.—Export of refined sugar by sea has dwindled down from 9,992 cwt. in 1895-96 to 7 cwt. in 1897–98. Import of foreign sugar by sea increased from 75 cwt. in 1895–96 to 13,448 cwt. * in 1897–98. So, the locally-manufactured sugar has been largely deprived even of its local market.

* *Note.*—This is incorrect as, of the amount imported coastwise 10,987 cwt. were of Indian produce, mostly received from other parts of the Presidency.

Import of jaggery by sea fell from 12,759 cwt. in 1895–96 to 39 cwt. in 1897–98, owing to loss in the manufacture of local sugar. The outturn of sugar at the Aska factory has fallen from 15,960 maunds in 1896 to 9,640 maunds in 1898 and the selling price thereof has fallen from Rs. 22 in 1894 to Rs. 16 in 1898 per bag of 168 lb.

Reliable figures are not available as to the value of jaggery manufactured by the ryots. Though there has been a decrease in the area planted, owing to the disturbing influences of the famine, it is too early to form any correct idea as to how the extent under cane cultivation, and consequently the irrigation revenue, will be affected. The Collector believes that but for the fall in the value of sugar, there would have been a larger extension of cultivation of the crop under the Rushikulya project than has taken place. The revenue derived from cane cultivation is not an appreciable item, but that revenue is capable of considerable extension if the present adverse conditions do not exist. It is reported that Aska factory is likely to be closed, sugar manufacture being unprofitable.

Vizagapatam.—Refined sugar is supplied by Messrs. Parry & Co. from their factories neither sugar-cane cultivation nor price of jaggery affected by imports from Mauritius.

Gódávari.—Area planted not affected by import of bounty-aided sugars; up to 1895-96 gradually extended, after which unfavourable seasons and fall in prices caused reduction of area, but fall is chiefly due to disease and not to competition of foreign sugars. If disease can be combated, no loss of revenue anticipated.

Bellary.—Demand for sugar is not great; it is required only in small quantities for sweetmeats. Jaggery which is preferred for every day consumption is alone manufactured from sugar-cane and the importation of sugar will not therefore affect the cultivation of sugar-cane. The decrease in the area planted since fasli 1305 is not due to foreign imports of sugar but to a desire on the part of the ryots to grow food crops instead of cane, this being more profitable in times of scarcity.

Anantapur.—No sugar industry in the district, only jaggery is manufactured from sugar-cane in the taluks of Hindupur and Penukonda.

Cuddapah.—Report not received.

South Arcot.—There is no import of sugar at the ports of the district and the Sub-Collector states that there is no decrease in cane cultivation in his division. The Agent of Messrs. Parry & Co. at Cuddalore attributes the decrease in cane cultivation to high price of paddy during the last few years and the low price offered for sugar-cane owing to the importation of foreign sugar.

Note.—The area statistics show an increase in 1896–97 and 1897–98.

North Arcot.—Reports from all Divisional-officers not received. The report of the General Deputy Collector shows that no foreign sugar is imported and none manufactured in his division. The Ranipet sugar works are to be closed on the 5th March owing to the competition of foreign bounty-fed sugar.

Salem.—The area under sugar-cane cultivation is small and has not decreased. Jaggery alone is manufactured from the canes and the canes are not exported. Imported sugar is not largely used except in towns. The importation of foreign sugar has not produced any appreciable effect on the cultivation of the cane or on the profits of such cultivation or on the price of jaggery.

Coimbatore.—The bounty system has had no effect upon the sugar industry because the price of the native unrefined sugar is too high to admit of its paying to refine it. The local sugar is much valued by the Brahmins of Travancore as being free from anything offending caste prejudices.

Trichinopoly.—Foreign imports had no effect on cultivation of cane which has shown steady increase. Crop usually raised on double crop land; no decrease of land revenue impossible even if crop abandoned. Price of local made sugar falling, but this is attributed to market being glutted by overproduction locally.

Tinnevelly.—There are no grounds for holding that palm sugar industry has, in any way, been affected by the importation of foreign sugar. The quantity of palm jaggery brought to market in 1898 was much larger* than in any of the preceding years except 1893. The number of trees tapped for sweet juice has not decreased, nor has the value of the palmyra trees gone down generally. All the Tahsildars are unanimous in stating that the condition of the Shánárs who manufacture jaggery has not deteriorated in the past ten years.

* Years.	Candies of 500 lb. each.
1892	48,213
1893	123,942
1894	78,551
1895	76,407
1896	84,348
1897	79,201
1898	100,155

APPENDIX B.

Areas planted with sugar-cane in the Madras Presidency.

Group.	District.	1888–89.	1889–90.	1890–91.	1891–92.	1892–93.
1	2	3	4	5	6	7
		Acs.	Acs.	Acs.	Acs.	Acs.
Circars	Ganjám	2,934	1,582	1,606	2,435	2,320
	Vizagapatam	5,425	7,205	5,660	6,088	2,507
	Gódávari	7,154	7,856	8,929	8,842	6,629
Deccan	Kurnool	981	693	981	760	288
	Bellary	9,647	9,494	8,975	7,771	9,055
	Anantapur	2,337	2,412	1,847	1,528	961
	Cuddapah	4,774	5,162	5,162	4,081	5,713
	South Arcot	6,659	4,570	4,268	6,895	5,592
Carnatic	North Arcot	5,038	5,966	5,072	5,658	4,567
	Salem	2,220	2,335	2,018	2,077	1,523
Central	Coimbatore	5,362	5,652	5,156	3,934	4,697
	Trichinopoly	4,748	4,709	5,135	6,073	4,825
	....	974	1,142	1,023	1,156	1,322
Southern and West Coast.	South Canara	1,008	1,052	860	922	967
	....	97	145	178	153	208
Other districts ..	Total ..	59,358	59,975	56,870	58,373	51,174

Group.	District.	1893–94.	1894–95.	1895–96.	1896–97.	1897–98.
		8	9	10	11	12
		Acs.	Acs.	Acs.	Acs.	Acs.
Circars	Ganjám	2,724	2,809	2,080	1,845	2,034
	Vizagapatam	2,969	3,028	2,855	2,792	1,919
	Gódávari	8,966	9,295	9,336	8,209	6,652
Deccan	Kurnool	547	736	913	568	291
	Bellary	8,641	9,440	9,958	7,681	6,718
	Anantapur	1,520	2,025	1,905	1,616	872
	Cuddapah	3,275	4,453	3,328	2,947	2,537
	South Arcot	7,763	6,914	8,241	10,853	10,591
Carnatic	North Arcot	4,796	4,585	5,369	5,952	5,190
	Salem	1,984	2,441	2,285	2,368	2,746
Central	Coimbatore	4,984	6,769	5,637	4,724	5,235
	Trichinopoly	6,580	6,649	4,483	5,855	10,304
	....	1,706	1,868	1,261	1,212	2,064
Southern and West Coast.	South Canara	983	977	762	1,067	1,068
	....	231	204	178	227	153
Other districts ..	Total ..	57,669	62,193	58,591	57,916	58,374

APPENDIX C.

Area reported as occupied by Palms grown for sugar in the Madras Presidency.

Group.	1888–89	1889–90.	1890–91.	1891–92.	1892–93.	1893–94.	1894–95.	1895–96.	1896–97.	1897–98.
	Acs.	Acs.	Acs.	Acs.	Acs.	Acs.	Acs.	Acs.	Acs.	Acs.
Circars	1,550	1,781	1,682	1,624	5,266	1,118	742	517	3,692	3,591
Deccan	1,402	891	875	261	5,372	7,382	807	3,960	4,010	3,717
Carnatic	6,816	9,418	6,097	2,998	3,643	4,144	4,954	4,433	5,611	4,984
Central	1,065	863	1,390	808	845	988	1,243	1,216	1,244	1,189
Southern. Tanjore ..	1,074	1,540	1,377	59	148	101	377	726	760	830
Madura ..	388	564	619	140	426	411	300	531	557	556
Tinnevelly ..	945	1,046	627	2,856	39,657	62,929	49,054	53,552	51,455	50,497
West Coast	1,417	1,458	1,533	920	847	796	684	623	577	573
Total ..	14,657	17,561	14,200	9,666	56,204	77,869	58,161	65,558	67,906	65,937

Read—also the following Proceedings of the Board of Revenue (Revenue Settlement, Land Records and Agriculture), Mis. No. 1686, dated 28th March 1899 :—

Read—the following letter from H. O. D. HARDING, Esq., Collector of Cuddapah, to the Secretary to the Commissioner of Revenue Settlement and Director of the Department of Land Records and Agriculture, dated 23rd March 1899, Dis. No. 9-Tour of 1899 :—

In reply to Board's Proceedings, No. 443, dated 6th December 1898, calling for a report as to the effect of the competition of imported sugars on the cultivation of sugarcane, on the profits of such cultivation and on those of sugar industry, I have the honour to state that the sugarcane cultivation is confined mostly to the four sub-division taluks in this district. The Sub-Collector's report (copy herewith forwarded) deals with all the points referred to in the Government Order quoted in the Proceedings under reply; and I fully agree with the Sub-Collector in thinking that the importation of better sugar has not affected the cultivation of sugarcane or the profits thereof in this district. As regards the sugar industry, I have to say that sugar of an ordinary kind is made in one village in Vayalpad taluk and exported to the North Arcot district.

2. The falling off gradually in the area of cultivation of sugarcane is, as reported by the Sub-Collector, due more to the short rainfall of recent years than to importation of better sugar from elsewhere.

Enclosures.

From W. FRANCIS, Esq., I.C.S., Acting Sub-Collector of Cuddapah, to the Collector of Cuddapah, dated 12th March 1899.

With reference to your foot-note, Reference on Current No. 5-B. and G. of 1899, dated 28th December 1898 (received by me on 18th February 1899), I have the honour to report on the effect of the increasing imports of foreign sugars.

2. The points on which the report is called for are : (1) what is the effect of the competition of imported sugars (*a*) on the condition of sugarcane, (*b*) on the profits of such cultivation, and (*c*) on the profits of the sugar industry; and (2) whether there is any possibility of a falling off in the land revenue in consequence of the abandonment of sugarcane cultivation. As regards point (1) (*a*), I beg to append a statement showing the extent of cultivation of sugarcane in the four taluks of this division. In Madanapalle and Vayalpad taluks information is available for ten years, while in Kadiri and Ráyachóti, where little sugarcane is grown, statistics for nine and six years, respectively, are available. It will be séen from this statement that in the last few years there has been a gradual falling off in the acreage under sugarcane in all the taluks. All the Tahsildars except the Ráyachóti Tahsildar, who has not given much information on the subject, report that the decrease in cultivation is due not to the import of refined sugars, but to bad seasons, and I agree with them. Refined sugar is only used by Europeans and to a small extent by the better class of natives. These latter only use it for special purposes, such as with tea or coffee or for sweetmeats; for all ordinary cooking purposes they employ the cheaper jaggery. The poorer natives may be said to never use anything but jaggery. Nearly all the cane in the division is used for jaggery-making, and as long as the people generally continue to use jaggery rather than refined sugar as at present, the area under sugar will not be affected by importation of better sugar elsewhere.

As to point (1) (*b*) much the same remarks apply. Sugarcane cultivation is regarded in these parts as a more lucrative undertaking than the growing of ordinary grains in spite of the enormous labour and expense involved in manuring and tilling and watering it and in the manufacture of the jaggery; and whenever the season is favourable, the ryots avail themselves of the opportunity of growing as much sugarcane as circumstances will permit. Whether the import of refined sugars has affected the profits of this cultivation is more than doubtful. No record is available to show the rates at which the jaggery was sold in recent years, but as almost all the cane in the division is used for jaggery for local consumption and not for export, it follows from what has been stated above that imports of foreign sugars would not affect prices. It appears from local enquiry made by the Tahsildars that the price of jaggery is low at present, but this seems to be owing to the dullness of trade in general due to the plague scare, rather than to any supplanting of the coarser by the finer articles.

With regard to point (1) (*c*), sugar is only manufactured in this division at Yerravaripallam, where a common kind is made by certain *Labbays* who export it to the North Arcot district. North Arcot officials could probably say whether it holds its own with foreign rivals, but there is no information here.

As to point (2), there is no possibility of any falling off in the revenue on account of the decrease in the cultivation of sugarcane on wet lands. Sugarcane is grown for the most part on the best land on which other crops also can be grown, and no extra assessment is demanded for its cultivation on ordinary wet land, so that if it all ceased to be grown to-morrow, paddy or ragi would take its place and Government would not suffer. If sugarcane is grown on dry land, the maximum water-rate, which is equivalent to the rate levied for two wet crops, is no doubt levied, but such cases are very rare.

Statement showing the acreage of sugarcane in the district of Cuddapah for a series of years.

Year.	Extent of cultivation of sugarcane.				Total cultivation for the Sub-division taluks.	Total cultivation in the district.
	Madanapalle.	Vayalpad.	Kadiri.	Ráyachóti.		
1888-89	2,944	1,145	..	Not available.	..	..
1889-90	3,045	1,309	598		..	..
1890-91	3,174	3,318	Not available.		..	..
1891-92	2,356	781	186		..	..
1892-93	1,785	731	252	117	..	..
1893-94	2,045	596	333	72	..	..
1894-95	3,244	736	347	66	4,393	4,453
1895-96	2,117	814	304	55	3,290	3,328
1896-97	1,773	736	180	63	2,752	2,947
1897-98	1,399	783	157	42	2,381	2,537
1898-99	..	..	171	..	..	..
Total ..	23,882	10,949	2,528	415	..	..
Average ..	2,382	1,095	251	69	..	..

Resolution—Mis. No. 1686, dated 28th March 1899.

Submitted for the information of Government, in continuation of Board's Proceedings, No. 77, dated 13th March 1899.

(True Copy and Extract.)

(Signed) R. V. SRINIVASIAR,
Secretary.

To the Secretary to Government, Revenue Department,
with copies of enclosures.

Order—No. 262, Revenue, dated 22nd April 1899.

Sep. Revenue No. 45.

Ordered that the Board's report be forwarded to the Government of India in continuation of Endorsement No. 962A, dated 8th March 1899.

(True Extract.)

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

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

Endorsement No. 262A.

Copy to the Government of India, Revenue and Agricultural Department, in continuation of Endorsement No. 962A, dated 8th March 1899.

(Signed) N. E. MARJORIBANKS,
Ag. Under Secretary to Government.

Exd. A. Rungasawmy Aiyangar.

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