

# INDIAN SUGAR MILLS ASSOCIATION



## REPORT OF THE COMMITTEE

FOR THE YEAR 1937-38



*Published by*  
THE SECRETARY, INDIAN SUGAR MILLS ASSOCIATION  
135, Canning Street, Calcutta

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*With Compliments of the Secretary,  
Indian Sugar Mills Association,  
Calcutta*



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## **APPENDIX I.**

**A Resume of the Indian Sugar Industry—1937-38.**



### A Resumé of the Indian Sugar Industry—1937-38.

The crushing season 1937-38 recorded a decrease in the output of sugar of 1,80,700 tons or about 16·3% from the previous season's production. The production of sugar direct from cane in India totalled 9,30,700 tons during the season under review as against 1,111,400 tons during 1936-37. The fall in the two most important sugar producing provinces of U.P. and Bihar was about 12·7% and 31·5% respectively. This large decline in the production of sugar was due to (a) shorter duration of the season in all provinces (b) shorter supply and inferior quality of cane due to attack of insect pests in the United Provinces and (c) the season being particularly short in Bihar where the majority of the factories worked only for 95 days on account of inadequate supply of cane. The season for all-India closed three week earlier than the previous year, the average number of working days for the whole of India during the season being 112 against 138 in the previous year. Out of a total of about 154 factories in India, only 136 factories worked during the season. The recovery of sugar percent cane was also lower, it being 9·33 for all India as against 9·5 in the previous season.

One of the outstanding features of the year was the formation of the Indian Sugar Syndicate being the Central Marketing Organisation of all factories in U. P. and Bihar. The Provincial Governments of U. P. and Bihar passed the Sugar Control Acts in the course of the year seeking to regulate the working of sugar factories in their respective provinces. Under this Law, every factory within these provinces has to take out a licence for crushing, one of the conditions of which is membership of the Indian Sugar Syndicate. Licences are also required to be taken for the erection of new factories or for the extension of existing ones. The Act and the Rules made thereunder contain detailed provisions for the zoning of sugar cane areas also.

The year under review was a difficult one for sugar factories, particularly in the U. P. and Bihar. In addition to the cane crop being badly diseased and suffering from attacks by insect pests, the Governments of the two provinces fixed the minimum price of cane also at higher levels. The season started in circumstances full of anxiety to the industry. On the one

hand, the Governments of U. P. and Bihar fixed the cane prices at higher levels and on the other, the prices of sugar, due to excessive production in the previous season and keen internal competition, touched very low levels. In the circumstances, manufacture of sugar seemed to be not only unremunerative but to involve definite losses. However, with the adoption of sugar legislation in the provinces of U. P. and Bihar and the formation of the Indian Sugar Syndicate, the critical position was redeemed to a certain extent and the prices of sugar recovered.

In the Statistical Tables given in this appendix, an attempt has been made to give in an easily comprehensible form all essential information of a statistical nature regarding the Sugar Industry of India. Apart from figures relating to the detailed working of the cane factories in the season 1937-38, the tables also include statistics relating to the production and consumption of sugar in India, the acreage and yield of sugarcane crop, *per capita* consumption of sugar and *gur* in India, the movement of prices of sugar etc. over a number of years. Most of the tables are self-explanatory; but notes are attached wherever found necessary.

It is hoped that this statistical section will be found useful for reference by all concerned.

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( c )

TABLE No. I.

*Acrcage under and yield of Sugarcane.*

| 1            | 2                              | 3                           | 4                                  | 5   | 6   |
|--------------|--------------------------------|-----------------------------|------------------------------------|---|---|
| Year.        | Area under improved varieties. | Total area under sugarcane. | Gross Production expressed as gur. | Calculated Production of Sugarcane 10 and 11 factors. | Average calculated Production of cane per acre. |
|              | (In 1000 Acres.)               | (In 1000 Acres.)            | (In 1000 Tons.)                    | (In 1000 Tons.)                                       |   |
| 1923-24 ...  | 51                             | 3,105                       | 3,502                              | 38,455  | 12.4  |
| 1924-25 ...  | 75                             | 2,704                       | 2,722                              | 29,866  | 11.1  |
| 1925-26 ...  | 172                            | 2,806                       | 3,143                              | 34,382  | 12.3  |
| 1926-27 ...  | 208                            | 3,075                       | 3,420                              | 37,392  | 12.2  |
| 1927-28 ...  | 269                            | 3,105                       | 3,376                              | 36,842  | 11.9  |
| 1928-29 ...  | 301                            | 2,650                       | 2,827                              | 30,669  | 11.6  |
| 1929-30 ...  | 549                            | 2,677                       | 2,885                              | 30,961  | 11.5  |
| 1930-31 ...  | 817                            | 2,902                       | 3,359                              | 35,780  | 12.3  |
| 1931-32 ...  | 1,170                          | 3,076                       | 4,116                              | 43,316  | 14.1  |
| 1932-33 ...  | 1,846                          | 3,435                       | 4,859                              | 51,129  | 14.9  |
| 1933-34 ...  | 2,295                          | 3,433                       | 5,055                              | 52,455  | 15.3  |
| 1934-35 ...  | 2,446                          | 3,596                       | 5,268                              | 54,346  | 15.1  |
| 1935-36 ...  | 3,071                          | 4,154                       | 6,102                              | 61,202  | 14.7  |
| 1936-37 ...  | 3,473                          | 4,573                       | 6,932                              | 67,322  | 14.7  |
| 1937-38* ... | ...                            | 3,869                       | 5,400                              | ...   | ...   |
| 1938-39* ... | ...                            | 3,108                       | 4,090                              | ...   | ..  |

\* Final Forecast Figures.

( d )

TABLE No II.

*Acreage and Yield of Sugarcane Crop.*

| PROVINCE<br>AND<br>STATES.          | Area<br>(100 acres) |         | Yield<br>(1,000 tons) |         | Yield per acre<br>(lbs.) |         |
|-------------------------------------|---------------------|---------|-----------------------|---------|--------------------------|---------|
|                                     | 1936-37             | 1937-38 | 1936-37               | 1937-38 | 1936-37                  | 1937-38 |
| United Provinces (a) ...            | 2,515               | 2,181   | 3,802                 | 3,141   | 3,386                    | 3,226   |
| Punjab ...                          | 554                 | 512     | 465                   | 363     | 1,880                    | 1,588   |
| Bihar ...                           | 460                 | 342     | 493                   | 356     | 2,401                    | 2,332   |
| Bengal ...                          | 355                 | 290     | 626                   | 483     | 3,950                    | 3,731   |
| Madras ...                          | 122                 | 98      | 339                   | 267     | 6,224                    | 6,108   |
| Bombay (a) ...                      | 130                 | 116     | 316                   | 284     | 5,445                    | 5,484   |
| North-West Frontier<br>Province ... | 71                  | 70      | 78                    | 75      | 2,461                    | 2,400   |
| Assam ...                           | 40                  | 38      | 40                    | 39      | 2,240                    | 2,299   |
| Central Provinces and<br>Berar ...  | 32                  | 33      | 51                    | 50      | 3,570                    | 3,394   |
| Orissa ...                          | 31                  | 34      | 51                    | 63      | 3,085                    | 4,151   |
| Delhi ...                           | 5                   | 6       | 6                     | 2       | 2,688                    | 747     |
| Sind ...                            | 6                   | 6       | 13                    | 13      | 4,853                    | 4,853   |
| Hyderabad ...                       | 58                  | 30      | 124                   | 60      | 4,789                    | 4,480   |
| Mysore ...                          | 52                  | 49      | 75                    | 69      | 3,231                    | 3,154   |
| Bhopal (Central India) ...          | 6                   | 7       | 6                     | 6       | 2,240                    | 1,920   |
| Baroda ...                          | 3                   | 3       | 4                     | 4       | 2,987                    | 2,987   |
| TOTAL ...                           | 4,440               | 3,815   | 6,489                 | 5,275   | 3,274                    | 3,097   |

(a) Including Indian States.

TABLE NO. III.

*Working of Modern Cane Factories.*

| 1       | 2                          | 3   | 4   | 5   | 6  |
|---------|----------------------------|---|---|---|--|
| Year.   | No. of factories working.* | Quantity of cane crushed. (in 1000 Tons). | % of cane crushed in factories to total production. | Quantity of Sugar produced. (in 1000 Tons). | Average % of Sugar produced to cane crushed. |
| 1926-27 | 25                         | 742                                       | 2.0   | 63  | 8.5  |
| 1927-28 | 26                         | 786                                       | 2.1   | 68  | 8.7  |
| 1928-29 | 24                         | 791                                       | 2.6   | 68  | 11.4   |
| 1929-30 | 27                         | 990                                       | 3.2   | 90  | 9.1  |
| 1930-31 | 29                         | 1,317                                     | 3.7   | 120   | 9.1  |
| 1931-32 | 32                         | 1,783                                     | 4.1   | 159   | 8.9  |
| 1932-33 | 57                         | 3,350                                     | 6.6   | 290   | 8.7  |
| 1933-34 | 112                        | 5,157                                     | 9.8   | 454   | 8.8  |
| 1934-35 | 130                        | 6,672                                     | 12.3  | 578   | 8.7  |
| 1935-36 | 135                        | 9,801                                     | 16.0  | 932   | 9.5  |
| 1936-37 | 137                        | 11,687                                    | 17.4  | 1,111                                       | 9.5  |
| 1937-38 | 136                        | 9,916                                     | ...   | 931   | 9.4  |

\*A complete list of sugar factories in India will be found at the end of the Report.

( 1 )

TABLE No. IV:

*Total Production of Sugar.*

| 1           | 2  | 3                     | 4  | 5         |
|-------------|--|-----------------------|--|-----------|
| Year.       | Modern<br>cane<br>factories.<br>Nov.-Octo. | Refined from<br>Gur * | Khandsari<br>(indigenous<br>method.)<br>(Nov.-Octo.) | Total.    |
|             | Tons.                                      | Tons.                 | Tons.  | Tons.     |
| 1919-20 ... | 23,063                                     | 44,417                | 200,000  | 267,480   |
| 1920-21 ... | 24,579                                     | 48,539                | 200,000  | 273,118   |
| 1921-22 ... | 27,640                                     | 47,793                | 200,000  | 275,433   |
| 1922-23 ... | 23,887                                     | 50,170                | 200,000  | 274,057   |
| 1923-24 ... | 38,312                                     | 56,406                | 200,000  | 294,718   |
| 1924-25 ... | 33,805                                     | 33,593                | 200,000  | 267,398   |
| 1925-26 ... | 52,990                                     | 38,409                | 200,000  | 291,399   |
| 1926-27 ... | 62,941                                     | 58,085                | 200,000  | 321,026   |
| 1927-28 ... | 67,684                                     | 52,055                | 200,000  | 319,739   |
| 1928-29 ... | 68,050                                     | 31,038                | 200,000  | 299,088   |
| 1929-30 ... | 89,768                                     | 21,150                | 200,000  | 310,918   |
| 1930-31 ... | 119,859                                    | 31,791                | 200,000  | 351,650   |
| 1931-32 ... | 158,581                                    | 69,539                | 250,000  | 478,120   |
| 1932-33 ... | 290,177                                    | 80,106                | 275,000  | 645,283   |
| 1933-34 ... | 454,000                                    | 61,100                | 200,000  | 715,100   |
| 1934-35 ... | 578,100                                    | 39,100                | 150,000  | 767,200   |
| 1935-36 ... | 932,100                                    | 54,600                | 123,000  | 1,107,700 |
| 1936-37 ... | 1,111,400                                  | 19,500                | 150,000  | 1,280,900 |
| 1937-38 ... | 930,700                                    | 16,500                | 125,000  | 1,072,200 |

\* The figures given against each financial year actually relate to the latter calendar year, for example, the figures shown against the year 1926-27 are for the calendar year 1927 and so on.

( g )

TABLE No. V.

*Imports of Sugar into British India.*

| Year.                           | Quantity<br>Tons. | Value<br>lakhs<br>Rs. | Total duty<br>on imports. | Revenue<br>from<br>import<br>duty. |
|---------------------------------|-------------------|-----------------------|---------------------------|------------------------------------|
|                                 |                   |                       |                           | (In 1000 Rs.)                      |
| 1913-14 ... ..                  | 896,870           | 14,96                 | .....                     | 9,233                              |
| 1914-15 ... ..                  | 550,120           | 10,52                 | .....                     | 4,397                              |
| 1915-16 ... ..                  | 642,744           | 16,62                 | .....                     | 6,067                              |
| 1916-17... ..                   | 542,219           | 15,45                 | .....                     | 13,005                             |
| 1917-18 ... ..                  | 510,086           | 15,32                 | .....                     | 14,816                             |
| 1918-19 ... ..                  | 521,991           | 15,61                 | .....                     | 16,943                             |
| 1919-20 ... ..                  | 481,971           | 22,99                 | .....                     | 12,811                             |
| 1920-21 ... ..                  | 343,891           | 18,50                 | 10% ad valorem.           | 10,917                             |
| 1921-22 ... ..                  | 782,668           | 27,50                 | 15% .. "                  | 65,069                             |
| 1922-23 ... ..                  | 504,030           | 15,49                 | 25% .. "                  | 44,095                             |
| 1923-24 ... ..                  | 475,194           | 15,23                 | 25% .. "                  | 33,223                             |
| 1924-25 ... ..                  | 727,944           | 20,67                 | 25% .. "                  | 57,690                             |
| 1925-26 ... ..                  | 803,358           | 15,58                 | Rs. 4 8 0<br>per cwt.     | 64,781                             |
| 1926-27 ... ..                  | 922,862           | 18,89                 | Do.                       | 70,072                             |
| 1927-28 ... ..                  | 822,902           | 14,91                 | Do.                       | 65,119                             |
| 1928-29 ... ..                  | 937,376           | 16,09                 | Do.                       | 77,720                             |
| 1929-30 ... ..                  | 1,011,345         | 15,78                 | Do.                       | 86,970                             |
| 1930-31 ... ..                  | 1,003,177         | 10,96                 | Rs. 6 0 0<br>per cwt.     | 107,897                            |
| 1931-32 ... ..                  | 556,000           | 6,17                  | Do.                       | 80,000                             |
| 1932-33 ... ..                  | 402,000           | 4,23                  | Rs. 9 1 0<br>per cwt.     | 68,400                             |
| 1933-34 ... ..                  | 264,000           | 2,71                  | Do.                       | 47,204                             |
| 1934-35 ... ..                  | 223,000           | 2,11                  | Do.                       | 38,135                             |
| 1935-36 ... ..                  | 201,000           | 1,91                  | Do.                       | 32,431                             |
| 1936-37 ... ..                  | 20,075            | 24                    | Rs. 9 4 0<br>per cwt.     | 5,052                              |
| 1937-38 ... ..                  | 13,715            | 18                    | Do.                       | 2,533                              |
| 1938-39<br>(April to Decr. '38) | 7,123             | 10                    | Do.                       | 1,083                              |

( h )

TABLE No. VI.

*Production of Sugar and Molasses by Modern Factories in  
different Provinces in India in 1937-38.*

| Provinces.           | No. of factories worked. | Cane Crushed. | Sugar produced. | Molasses produced. | Recovery of sugar per cent cane. | Recovery of molasses per cent cane. |
|----------------------|--------------------------|---------------|-----------------|--------------------|----------------------------------|-------------------------------------|
| United Provinces ... | 68                       | 5,785,500     | 5,31,300        | 207,000            | 9·18                             | 3·57                                |
| Bihar ...            | 33                       | 2,350,200     | 2,25,300        | 79,700             | 9·58                             | 3·39                                |
| Bombay ...           | 7                        | 370,900       | 40,700          | 13,000             | 10·97                            | 3·50                                |
| Madras ...           | 8                        | 218,500       | 20,700          | 3,200              | 9·47                             | 3·75                                |
| Punjab & Sind ...    | 3                        | 139,200       | 11,700          | 5,000              | 8·40                             | 3·59                                |
| Bengal ...           | 6                        | 222,500       | 19,800          | 7,300              | 8·89                             | 3·28                                |
| Indian States ...    | 9                        | 813,700       | 79,900          | 28,500             | 9·81                             | 3·50                                |
| Orissa ...           | 2                        | 15,900        | 1,300           | 900                | 8·17                             | 5·66                                |



TABLE No. VII.

*Total supply of sugar available for consumption in India.*

| Particulars.   | 1929-30<br>Tons. | 1930-31<br>Tons. | 1931-32<br>Tons. | 1932-33<br>Tons. | 1933-34<br>Tons. | 1934-35<br>Tons. | 1935-36<br>Tons. | 1936-37<br>Tons. | 1937-38<br>Tons. |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Initial Stock—   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| (1) in ports. ...  | 50,500           | 37,100           | 31,510           | 19,176           | 9,057            | 21,630           | 11,189           | 23,684           | 19,840           |
| (2) in principal in-<br>land markets. ...                | ...              | ...              | ...              | ...              | ...              | 8,366            | 7,994            | 5,330            | 14,535           |
| (3) with factories. ...                                  | ...              | ...              | ...              | ...              | ...              | ...              | 4,000            | 130,000          | 104,674          |
| Production of sugar.                                     |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| (a) direct from cane.                                    | 89,768           | 119,859          | 158,581          | 290,177          | 453,965          | 578,115          | 932,100          | 1,111,400        | 930,700          |
| (b) refined from <i>Gur</i> *                            | 23,200           | 29,700           | 61,990           | 77,995           | 64,890           | 43,500           | 47,876           | 19,500           | 16,500           |
| (c) <i>Khandsaris</i> ...                                | 200,000          | 200,000          | 250,000          | 275,000          | 200,000          | 150,000          | 125,000          | 150,000          | 125,000          |
| Imports of sugar by<br>sea. ...                          | 908,792          | 697,621          | 443,200          | 324,400          | 245,300          | 200,100          | 93,800           | 17,493           | 9,396            |
| Imports of Sugar by<br>sea into Kathia-<br>war ports ... | 105,840          | 114,758          | 93,000*          | 64,000*          | 87,094           | 113,400          | 45,200           | 13,070           | 12,284           |
| Total supply ...   | 1,378,100        | 1,199,038        | 1,038,281        | 1,050,748        | 1,060,306        | 1,115,111        | 1,267,159        | 1,470,477        | 1,232,929        |

\*Figures relate to official year April to March.

TABLE No. VII.—Continued.

*Total supply of sugar available for consumption in India.*

| Particulars.  | 1929-30<br>Tons. | 1930-31<br>Tons. | 1931-32<br>Tons     | 1932-33<br>Tons. | 1933-34<br>Tons. | 1934-35<br>Tons. | 1935-36<br>Tons. | 1936-37<br>Tons. | 1937-38<br>Tons. |
|---|------------------|------------------|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Re-export of sugar<br>by sea ...                    | 4,148            | 3,691            | 4,414               | 3,587            | 11,900           | 2,157            | 6,206            | 5,533            | 131              |
| Export of sugar by<br>sea ...                       | 460              | 268              | 382                 | 356              | 434              | 357              | 449              | 10,636           | 8,668            |
| Export of sugar by<br>land ...                      | 36,142           | 36,876           | 32,000<br>Estimated | 31,957           | 30,607           | 29,939           | 27,667           | 41,336           | 35,561           |
| Closing Stock—                                      |                  |                  |                     |                  |                  |                  |                  |                  |                  |
| (1) in parts ...                                    | 37,100           | 37,600           | 19,176              | 9,057            | 21,630           | 11,189           | 23,694           | 19,840           | 20,137           |
| (2) in principal in-<br>land markets ...            | ...              | ...              | ...                 | ...              | ...              | 7,994            | 5,330            | 14,535           | 7,030            |
| (3) with factories ...                              | ...              | ...              | ...                 | ...              | ...              | 4,000            | 130,000          | 104,674          | 3,426            |
| Total to be deducted                                | 77,850           | 78,435           | 55,972              | 44,957           | 64,571           | 55,636           | 193,336          | 196,554          | 74,953           |
| Quantity consumed<br>to the nearest<br>thousand ... | 1,300,000        | 1,121,000        | 982,000             | 1,006,000        | 996,000          | 1,059,000        | 1,074,000        | 1,274,000        | 1,158,000        |

( 1 )

( k )

TABLE No. VIII.

*Consumption of Sugar by Provinces (November-October).*

| Name of Province.                   | 1934-35.    |              |   | 1935-36.    |              |   |
|-------------------------------------|-------------|--------------|---|-------------|--------------|---|
|                                     | Production. | Consumption. | <i>Per Capita</i><br>consumption<br>in lbs. | Production. | Consumption. | <i>Per Capita</i><br>consumption<br>in lbs. |
|                                     | Tons.       | Tons.        | Tons.                                       | Tons.       | Tons.        | Tons.                                       |
| Bengal ...                          | 19,000      | 140,000      | 5.9   | 31,000      | 158,000      | 6.7   |
| Bombay ...                          | 33,000      | 243,000      | 13.0  | 36,000      | 212,000      | 15.5  |
| Madras ...                          | 29,000      | 85,000       | 3.4   | 34,000      | 72,000       | 2.8   |
| Bihar & Orissa ...                  | 189,000     | 57,000       | 2.9   | 258,000     | 62,000       | 3.1   |
| United Provinces                    | 444,000     | 124,000      | 5.4   | 647,000     | 131,000      | 5.6   |
| Punjab (N.-W. F.<br>P., Delhi) ...  | 27,000      | 213,000      | 13.5  | 89,000      | 233,000      | 14.6  |
| C. P. & Berar ...                   | ...         | 40,000       | 4.8   | ...         | 40,000       | 5.1   |
| Assam ...                           | ...         | 11,000       | 2.5   | ...         | 14,000       | 3.5   |
| Sind and British<br>Baluchistan ... | ...         | 20,000       | 8.8   | ...         | 22,000       | 9.5   |
| Rajputana ...                       | ...         | 49,000       | 8.9   | ...         | 53,000       | 9.5   |
| Central India ...                   | ...         | 26,000       | 5.5   | ...         | 28,000       | 6.1   |
| Nizam's Territory                   | ...         | 17,000       | 2.5   | ...         | 18,000       | 2.6   |
| Kashmir ...                         | ...         | 2,000        | 1.5   | ...         | 2,000        | 1.2   |
| Mysore ...                          | ...         | 5,000        | 1.5   | ...         | 8,000        | 2.6   |
| Surma ...                           | ...         | 27,000       | 3.9   | ...         | 21,000       | 3.1   |
| All-India ...                       | ...         | 1,059,000    | 6.5   | ...         | 1,074,000    | 6.5   |

TABLE No. IX.

*Per Capita consumption of sugar in other countries during  
the year 1936-37 (Sept., to August).*

|                                  |        | Kilos per<br>head. | Pounds per<br>head. |
|----------------------------------|--------|--------------------|---------------------|
| <b>EUROPEAN COUNTRIES—</b>       |        |                    |                     |
| Denmark                          | ... .. | 55.9               | 123.3               |
| Great Britain                    | ... .. | 47.8               | 105.4               |
| Irish Free State                 | ... .. | 38.7               | 85.3                |
| Belgium                          | ... .. | 28.3               | 62.4                |
| Netherlands                      | ... .. | 25.3               | 55.8                |
| France                           | ... .. | 25.1               | 55.3                |
| Czechoslovakia                   | ... .. | 24.2               | 53.3                |
| Germany                          | ... .. | 23.4               | 51.6                |
| U. S. S. R.                      | ... .. | 13.6               | 30.0                |
| Poland                           | ... .. | 10.9               | 24.0                |
| Portugal                         | ... .. | 8.2                | 18.1                |
| Italy                            | ... .. | 7.9                | 17.4                |
| Turkey                           | ... .. | 4.6                | 10.1                |
| <b>COUNTRIES OUTSIDE EUROPE—</b> |        |                    |                     |
| New Zealand                      | ... .. | 55.0               | 121.3               |
| Australia                        | ... .. | 48.0               | 105.8               |
| U. S. A.                         | ... .. | 43.0               | 94.8                |
| Canada                           | ... .. | 40.2               | 88.6                |
| Cuba                             | ... .. | 38.6               | 85.1                |
| Argentine                        | ... .. | 31.3               | 69.0                |
| Union of South Africa            | ... .. | 23.1               | 50.9                |
| Brazil                           | ... .. | 20.2               | 44.5                |
| Philippine Islands               | ... .. | 19.0               | 41.9                |
| Japan                            | ... .. | 11.2               | 24.7                |
| Java                             | ... .. | 4.5                | 9.9                 |
| <b>INDIA—</b>                    |        |                    |                     |
| (1) Sugar                        | ... .. | ...                | 6.5                 |
| (2) Gur                          | ... .. | ...                | 26.0                |

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**APPENDIX II**  
**Legislative Enactments**

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TABLE No. IV:

*Total Production of Sugar.*

| 1       | 2  | 3                            | 4  | 5         |
|---------|--|------------------------------|--|-----------|
| Year.   | Modern<br>cane<br>factories.<br>Nov.-Octo. | Refined from<br><i>Gur</i> * | Khandsari<br>(indigenous<br>method.)<br>(Nov.-Octo.) | Total.    |
|         | Tons.                                      | Tons.                        | Tons.  | Tons.     |
| 1919-20 | 23,063                                     | 44,417                       | 200,000  | 267,480   |
| 1920-21 | 24,579                                     | 48,539                       | 200,000  | 273,118   |
| 1921-22 | 27,640                                     | 47,793                       | 200,000  | 275,433   |
| 1922-23 | 23,887                                     | 50,170                       | 200,000  | 274,057   |
| 1923-24 | 38,312                                     | 56,406                       | 200,000  | 294,718   |
| 1924-25 | 33,805                                     | 33,593                       | 200,000  | 267,398   |
| 1925-26 | 52,990                                     | 38,409                       | 200,000  | 291,399   |
| 1926-27 | 62,941                                     | 58,085                       | 200,000  | 321,026   |
| 1927-28 | 67,684                                     | 52,055                       | 200,000  | 319,739   |
| 1928-29 | 68,050                                     | 31,038                       | 200,000  | 299,088   |
| 1929-30 | 89,768                                     | 21,150                       | 200,000  | 310,918   |
| 1930-31 | 119,859                                    | 31,791                       | 200,000  | 351,650   |
| 1931-32 | 158,581                                    | 69,539                       | 250,000  | 478,120   |
| 1932-33 | 290,177                                    | 30,106                       | 275,000  | 645,283   |
| 1933-34 | 454,000                                    | 61,100                       | 200,000  | 715,100   |
| 1934-35 | 578,100                                    | 39,100                       | 150,000  | 767,200   |
| 1935-36 | 932,100                                    | 54,600                       | 123,000  | 1,107,700 |
| 1936-37 | 1,111,400                                  | 19,500                       | 150,000  | 1,280,900 |
| 1937-38 | 930,700                                    | 16,500                       | 125,000  | 1,072,200 |

\* The figures given against each financial year actually relate to the latter calendar year, for example, the figures shown against the year 1926-27 are for the calendar year 1927 and so on.

( g )

TABLE NO. V.

*Imports of Sugar into British India.*

| Year.                                  | Quantity<br>Tons. | Value<br>lakhs<br>Rs. | Total duty<br>on imports. | Revenue<br>from<br>import<br>duty. |
|--|-------------------|-----------------------|---------------------------|------------------------------------|
|  |                   |                       |                           | (In 1000 Rs.)                      |
| 1913-14 ... ..                         | 896,870           | 14,96                 | .....                     | 9,233                              |
| 1914-15 ... ..                         | 550,120           | 10,52                 | .....                     | 4,397                              |
| 1915-16 ... ..                         | 612,744           | 16,62                 | .....                     | 6,067                              |
| 1916-17... ..                          | 542,219           | 15,45                 | .....                     | 13,005                             |
| 1917-18 ... ..                         | 510,088           | 15,32                 | .....                     | 14,816                             |
| 1918-19 ... ..                         | 521,991           | 15,61                 | .....                     | 16,943                             |
| 1919-20 ... ..                         | 481,971           | 22,99                 | .....                     | 12,811                             |
| 1920-21 ... ..                         | 343,891           | 18,50                 | 10% ad valorem.           | 10,917                             |
| 1921-22 ... ..                         | 782,668           | 27,50                 | 15% .. "                  | 65,069                             |
| 1922-23 ... ..                         | 504,030           | 15,49                 | 25% .. "                  | 44,095                             |
| 1923-24 ... ..                         | 475,194           | 15,23                 | 25% .. "                  | 33,223                             |
| 1924-25 ... ..                         | 727,944           | 20,67                 | 25% .. "                  | 57,690                             |
| 1925-26 ... ..                         | 803,358           | 15,58                 | Rs. 4 8 0<br>per cwt.     | 64,781                             |
| 1926-27 ... ..                         | 922,862           | 18,89                 | Do,                       | 70,072                             |
| 1927-28 ... ..                         | 822,902           | 14,91                 | Do.                       | 65,119                             |
| 1928-29 ... ..                         | 937,376           | 16,09                 | Do.                       | 77,720                             |
| 1929-30 ... ..                         | 1,011,345         | 15,78                 | Do.                       | 86,970                             |
| 1930-31 ... ..                         | 1,003,177         | 10,96                 | Rs. 6 0 0<br>per cwt.     | 107,897                            |
| 1931-32 ... ..                         | 556,000           | 6,17                  | Do.                       | 80,000                             |
| 1932-33 ... ..                         | 402,000           | 4,23                  | Rs. 9 1 0<br>per cwt.     | 68,400                             |
| 1933-34 ... ..                         | 264,000           | 2,71                  | Do.                       | 47,204                             |
| 1934-35 ... ..                         | 223,000           | 2,11                  | Do.                       | 38,135                             |
| 1935-36 ... ..                         | 201,000           | 1,91                  | Do.                       | 32,431                             |
| 1936-37 ... ..                         | 20,075            | 24                    | Rs. 9 4 0<br>per cwt.     | 5,052                              |
| 1937-38 ... ..                         | 13,715            | 18                    | Do.                       | 2,533                              |
| 1938-39 ... ..<br>(April to Decr. '38) | 7,123             | 10                    | Do.                       | 1,083                              |

( 1 )

TABLE No. IX.

*Per Capita consumption of sugar in other countries during  
the year 1936-37 (Sept., to August).*

|                                  |     |     | Kilos per<br>head. | Pounds per<br>head. |
|----------------------------------|-----|-----|--------------------|---------------------|
| <b>EUROPEAN COUNTRIES—</b>       |     |     |                    |                     |
| Denmark                          | ... | ... | 55.9               | 123.3               |
| Great Britain                    | ... | ... | 47.8               | 105.4               |
| Irish Free State                 | ... | ... | 38.7               | 85.3                |
| Belgium                          | ... | ... | 28.3               | 62.4                |
| Netherlands                      | ... | ... | 25.3               | 55.8                |
| France                           | ... | ... | 25.1               | 55.3                |
| Czechoslovakia                   | ... | ... | 24.2               | 53.3                |
| Germany                          | ... | ... | 23.4               | 51.6                |
| U. S. S. R.                      | ... | ... | 13.6               | 30.0                |
| Poland                           | ... | ... | 10.9               | 24.0                |
| Portugal                         | ... | ... | 8.2                | 18.1                |
| Italy                            | ... | ... | 7.9                | 17.4                |
| Turkey                           | ... | ... | 4.6                | 10.1                |
| <b>COUNTRIES OUTSIDE EUROPE—</b> |     |     |                    |                     |
| New Zealand                      | ... | ... | 55.0               | 121.3               |
| Australia                        | ... | ... | 48.0               | 105.8               |
| U. S. A.                         | ... | ... | 43.0               | 94.8                |
| Canada                           | ... | ... | 40.2               | 88.6                |
| Cuba                             | ... | ... | 38.6               | 85.1                |
| Argentine                        | ... | ... | 31.3               | 69.0                |
| Union of South Africa            | ... | ... | 23.1               | 50.9                |
| Brazil                           | ... | ... | 20.2               | 44.5                |
| Philippine Islands               | ... | ... | 19.0               | 41.9                |
| Japan                            | ... | ... | 11.2               | 24.7                |
| Java                             | ... | ... | 4.5                | 9.9                 |
| <b>INDIA—</b>                    |     |     |                    |                     |
| (1) Sugar                        | ... | ... | ...                | 6.5                 |
| (2) Gur                          | ... | ... | ...                | 26.0                |



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**APPENDIX II**  
**Législative Enactments**

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## **APPENDIX III.**

### **REPORT OF THE WORK DONE BY BRANCH COMMITTEES.**

- 1. Champaran-Muzaffarpur Sugar  
Mills Association.**
- 2. Gorakhpur Sub-office.**
- 3. Moradabad Sub-office.**

# CHAMPARAN-MUZAFFARPUR SUGAR MILLS ASSOCIATION.

BRANCH OF  
INDIAN SUGAR MILLS ASSOCIATION,  
(CALCUTTA.)

*Report for the year 1937-38.*

1. **Office Bearers.**—The following Office-Bearers were elected for the season 1937-38.

*President.*

MR. C. A. TOOKEY—(Barah Sugar Factory, Barah-chakia).

*Vice-Presidents.*

MR. J. J. BEATSON—(Motipur Sugar Factory, Motipur).

MR. S. RICHARDSON—(Japaha Sugar Concern, Japaha).

*Hony. Secretary.*

MR. C. N. AGRAWAL—(Harinagar Sugar Mills, Ramnagar).

Mr. Beatson, one of the Vice-presidents, has since then left Motipur factory and has joined some Industrial Concern at Calcutta. The Association is sorry to lose him.

**Hony. Members.**—M/S. B. B. Varma, M.L.A. (Central Assembly) and W. H. Meyrick, M.L.A., continued to be Hony. Members of the Association.

2. **Meetings** :—Four meetings of the Association were held during the course of the year.

3. **Membership** :—Messrs New Swadeshi Sugar Mills Ltd., Narkatiaganj, ceased to be the member of the Association. The number of members is 16 at present.

4. **Starting of Crushings** :—Following the resolution of the Head Association in the General Meeting held at Lucknow on the 11th November, 1937 calling upon factories not to start crushing before the 5th December, 1937, an urgent meeting of the Branch Association was held on 22nd November, and it was unanimously decided to strictly abide by the decision of the Head Association. Narkatiaganj factory had already started

crushing on 15th of November. This was much resented by all members of the Association and it was thought that even if Narkatiaganj factory had ceased to be a member of the Branch Association they should not have started crushing before 5th December, 1937 in open disregard of the decision of the Head Association. The matter was reported to the Head Association for necessary action, and requesting them to see that their decisions were not flouted in that manner.

**5. Govt. Cane Advisory Committees.**—It is a matter of regret that the Government did not consult the Association this year as regards the names of the representatives of the sugar factories. The Head Association was requested to protest against this omission on the part of the Government.

**6. Facilities to Cartmen.**—Letter No. 1593-D dated the 27th September, 1937 was received from the Secretary, Education and Development Department, of Bihar suggesting to the sugar factories to provide from the next season some thatched sheds, water troughs with requisite supply of water etc. at the factory gates and outstations. The Association wrote back to the Government assuring them of the readiness of the factories to make all necessary arrangements at factory gates. In fact, several factories were already, to more or less extent, giving the suggested facilities. As regards out-stations also, the Government were informed that the factories would not hesitate to do what was found possible, but it was pointed out that primarily it was the duty of the Railway Company to provide sheds and troughs at the stations and the Government were urged to move and bring pressure upon the Railway in the matter.

**7. Disposal of Waste Water.**—The District Health Officer of Champaran circulated a scheme for adoption by all factories of treatment and purification of factory effluents before finally discharging the same. The scheme was estimated to cost about Rs. 4,400 and a daily working expenditure of Rs. 10. The matter was brought before the Association by some factories as to whether the same was to be adopted. As the scheme was not tried anywhere, fear was expressed that if it did not work successfully, the money spent over it would be wasted. It was found that Chanpatia factory was adopting the scheme, and it

was decided that other factories might wait till it is known as to how the whole thing worked at Chanpatia.

**8. Pilferage of Cane: Scheme of Travelling of Chaukidars.**—The scheme arrived upon with the Railway authorities last year, or travelling of Chaukidars on different Railway sections was brought into operation during the season 1937-38. Chaukidars were deputed by different factories. Free passes for the Chaukidars were obtained by the Association from the Railway. The Chaukidars were provided with Association badges and Khaki pugries for sake of recognition. The following procedure was laid down by the Railway for the guidance of the Chaukidars:—

1. Members of the public, *i.e.* non-Railway servants caught red-handed stealing cane either at stations or from running trains should be made over to the Station Master on duty at the station concerned, or in the case of running trains, at the next stopping station, to be sent to the Police with a charge-sheet for prosecution.
2. Railway servants caught red-handed stealing cane should not be made over to the station staff to be sent to the police, but their names, full particulars of the Department to which they belong and their headquarter station should be taken, and the matter reported to the District Traffic Superintendent for action.
3. In cases where persons are seen stealing cane but cannot be caught, or where it is found that cane has been stolen by persons unknown, a report should be made to the nearest Station Master, who will report the case to the Police without delay and to the District Traffic Superintendent also.

In the case of pilferage from running trains particulars of the mileage at which the occurrence took place should be given so as to enable the theft to be localised.

4. If it is found that any particular station or section is bad in respect of pilferage of cane from wagons in

the station yard or on running trains, a report to this effect should be made to the District Traffic Superintendent giving necessary details.

*N. B.*—When members of the public or Railway servants are caught stealing cane at stations and are made over by a Chaukidar, then the Station Master, should certify to this effect in the Chaukidar's diary. In the case of persons caught stealing cane from running trains the Guard of the trains should certify.

The system worked very well and went a long way in preventing the theft of cane.

**9. Sugar Freights.**—Champaran-Muzaffarpur mills and specially of Champaran District are in a very disadvantageous position as regards railway freights, being farthest from sugar consuming centres. There are many anomalies also in the Railway freights. Some Saran mills though at equal or greater distances from Howrah than Champaran mills have to pay lesser freights.

This matter came up before the Association and it was entrusted to Mr. R. L. Nopany to collect necessary information and figures and to negotiate with the Railway.

**10. Demurrage on Cane Wagons:**—A letter was written to the Traffic Manager, B. & N. W. Rly., protesting against Rule 9 of the Cane Demurrage Rules 1938-39 which lays down that breakdowns of machinery could not be admitted as an excuse against incurring of demurrage. Subsequent Rule No. 10, however, mitigates the effect of Rule 9 by providing for the factories giving telegraphic intimation to the Railway authorities regarding breakdowns as soon as they occur. In this connection, it was pointed to the Traffic Manager, B. & N. W. Rly., that it should not be compulsory to report all breakdowns minor or big by telegrams and in reply it was conceded by the Railway that only such breakdowns which may cause or have already caused a complete stoppage causing detention to wagons need be notified by wire.

**11. Bihar Sugar Factories Control Rules.**—The Draft rules under Bihar Sugar Factories Control Act 1937 were pub-

lished in the Bihar Gazette dated 23rd March, 1938 and objections and suggestions to the same were invited by the Government by the 1st of April. Obviously, the time was very short and the Association wired to the Government asking for extension of time. As the Government were anxious that the Zoning work for next crushing season might proceed immediately, the Government granted only one week's extension. Time being not sufficient for inviting suggestions from members and formulating of proposals by the Branch Association, members were requested to send their suggestions and objections to the Head Association direct.

When the final Rules were published by the Government in the first week of July, it was found that the Government had made several changes of far-reaching character and detrimental to the interest of the industry *e. g.* disallowance of interest on cane advances etc. without consulting the industry. Strong protests were made against this. A deputation of the Indian Sugar Mills Association waited upon the Hon'ble minister for Education & Development Department at Lucknow on 5th September, 1938. Messrs F. L. Vardeya of Narkatiaganj factory and C. N. Agrawal, Hony. Secretary of Branch Association were included in the personnel of the deputation. The Hon'ble Minister heard the deputation patiently and assured the deputation of favourable consideration of several points raised. The rules have since been amended so as to allow 6% interest on advances.

**12. Determination of Cane Requirements :—**The estimates of cane requirements of factories under Sec. 14 of the Bihar Sugar Factories Control Act were published in the last week of June, 1938. Much dissatisfaction against the estimates prevailed in several factories and they wrote strongly protesting against three years' average basis adopted by the Cane Commissioner which gave some factories more than their due requirements and to some much less. The Head Association took up the matter with the Cane Commissioner, who regretted his inability to revise his estimates but invited the Association to suggest suitable formula for future years. By their circular No. 10-A of 1938 dated 12th October, 1938 the Head Association invited the opinion of the members as regards proposed

revised formula to be recommended to the Cane Commissioner. The members were left free to send their individual views.

**13. Applications for Crushing License.**—The Cane Commissioner, Bihar, by his circular No. 2120-152 dated 8th August, 1938 called upon factories to submit applications for cane crushing licence for the season 1938-39 before 15th August, 1938. The Association immediately addressed a letter No. 2912 dated 10th August, 1938 pointing out to the Cane Commissioner that the time was very short for the factories to deposit fees in the treasuries and submit applications by 15th August. It was further pointed out to him that according to Bihar Sugar Factories Control Rules applications were required to be submitted on or before the 1st September and he was requested to extend time till at least the above date. No reply was received but it is understood that no application was rejected by the Cane Commissioner on the ground of non-submission in time.

**14. Zoning.**—In pursuance of the provisions of the Bihar Sugar Factories Control Act, the Cane Commissioner, Bihar, declared his intention to proceed on with the Zoning arrangements, and the factories were asked to submit their proposals along with maps with areas marked which the factories wanted to get reserved and assigned for themselves.

Mills being situated very near to each other in the Champaran District, the claims of the factories conflicted very much. The Cane Inspectors went round examining the claims of the different factories and prepared tentative proposals, which drew forth strong objections from various factories. The Cane Commissioner decided to get the areas surveyed and the factories were required to deposit a sum of Rs. 1,000 each to meet the cost of the survey.

A meeting of the Champaran Mills was convened on 3rd June to explore the avenues of an amicable settlement among the factories themselves. Some progress was made towards the amicable Zoning arrangement between the factories on the basis of Geographical groups. Another meeting was decided to be held a few days after, and in the meantime negotiations were to proceed between the different factories for coming to some agreement. The Cane Commissioner was requested to postpone the survey work etc., for a fortnight.



The next meeting was held on 21st June and it transpired that negotiations could not succeed and no amicable settlement could be arrived at. The question then arose whether it would not be better to have no Zoning at all for the season 1938-39. It was thought by some members that it was already too late to consider Zoning for the season 1938-39, and as it would still take a long time for the Government to go through all the formalities prescribed in the Act and Rules before the Zoning could be final, no purpose would be served, on the other hand serious complications might arise. Four factories favoured the idea of advising the Government against Zoning for 1938-39, while six factories were in favour of immediate Zoning. The Cane Commissioner was informed of these views.

15. **Mass Literacy Campaign** :—Some members drew the attention of the Association to an appeal issued by the Hon'ble Minister for Education and Development Department, Bihar, in August in connection with the Mass Literacy Campaign and wanted the opinion of the Association as to the course to be taken by the factories. The Head Association was consulted in this respect and by his letter No. 0/5/1709 dated 24th August 1938 the Secretary, Indian Sugar Mills Association, informed that the Committee of the Head Association were of opinion that it should be left to the discretion of individual members to take such action in the matter as they considered suitable. Members were informed accordingly.

16. **Acknowledgements** :—The Association thankfully acknowledges the help and co-operation received from the District authorities and Cane Inspectors of Champaran, Muzaffarpur and Darbhanga Districts, the Cane Commissioner and his staff, the Education and Development Departments of the Government of Bihar, the Bihar Agricultural Department and the B. & N. W. Ry. authorities. This opportunity is also taken of thanking Messrs B. B. Varma and W. H. Meyrick for continuing to be Hony. Members of the Association and rendering valuable help.

(Sd). C. N. AGRAWAL.

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**CHAMPARAN-MUZAFFARPUR SUGAR MILLS ASSOCIATION  
RAMNAGAR (CHAMPARAN).**

*Statement of Income & Expenditure for the year 1937-38, ended 31st October, 1938.*

| Expenditure.                              | Amount.         | Income.                    | Amount.         |
|---|-----------------|----------------------------|-----------------|
|   | Rs. As. P.      |                            | Rs. As. P.      |
| To Postage and Telegram Expenses ... ..   | 32 1 6          | Last year's balance ... .. | 826 11 6        |
| „ Printing and Stationery Expenses ... .. | 52 5 6          |                            |                 |
| „ Travelling Expenses ... ..              | 20 0 0          |                            |                 |
| „ General Expenses ... ..                 | 16 7 0          |                            |                 |
| „ Cash Balance in hand ... ..             | 655 13 6        |                            |                 |
| <b>TOTAL Rs. ...</b>                      | <b>826 11 6</b> | <b>TOTAL Rs. ...</b>       | <b>826 11 6</b> |

*N.B.—1. Annual Subscription for the year 1936-37 is due by Messrs. Japaha Sugar Factory, Japaha.*

*2. No subscriptions were realised in the year 1937-38 as there was sufficient cash in hand.*

**C. N. AGRAWAL,**  
*Hony. Secretary.*

**C. A. TOOKEY,**  
*President.*

( 8 )

**LIST OF MEMBER MILLS.**

| Name of Factory.  | Location.                     |
|---|-------------------------------|
| <b>Champan District.</b>                                |                               |
| 1. Ganga Devi Sugar Mills, Ltd.                         | ... Bagaha.                   |
| 2. Harinagar Sugar Mills, Ltd.                          | ... Ramnagar.                 |
| 3. Champan Sugar Co., Ltd.                              | ... Chanpatia.                |
| 4. Pursa Sugar Factory                                  | ... Pursa. (P.O.)<br>Lauriya. |
| 5. Motilal Padampat Sugar Mills Co., Ltd.               | Majhaulia.                    |
| 6. Sagauli Sugar Works, Ltd.                            | ... Sugauli.                  |
| 7. Shree Hanuman Sugar Mills, Ltd.                      | ... Motihari.                 |
| 8. Barrah Sugar Factory of Champan<br>Sugar Co., Ltd.   | ... Barrah-Chakia.            |
| <b>Muzaffarpur District.</b>                            |                               |
| 9. Motipur Sugar Factory, Ltd.                          | ... Motipur.                  |
| 10. Japaha Sugar Concern                                | ... Japaha.                   |
| 11. Belsund Sugar Co., Ltd.                             | ... Riga.                     |
| <b>Darbhanga District.</b>                              |                               |
| 12. The New India Sugar Mills, Ltd.                     | ... Hasanpur Road.            |
| 13. Lohat Sugar Factory of Darbhanga<br>Sugar Co., Ltd. | ... Lohat.                    |
| 14. Sakri Sugar Factory of Darbhanga<br>Sugar Co., Ltd. | ... Sakri.                    |
| 15. Ryam Sugar Co., Ltd.                                | ... Ryam.                     |
| 16. Samastipur Central Sugar Co., Ltd.                  | ... Samastipur.               |

INDIAN SUGAR MILLS ASSOCIATION.  
GORAKHPUR SUB-OFFICE.

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*Report of the working of the Sub-Office during the year 1937-38.*

**Area Committees for the year.**

**1. SARAN AREA COMMITTEE.**

*Chairman.*

Mr. T. H. L. Macdonald, Begg, Sutherland & Co., Ltd.,  
Marhowrah.

*Vice-Chairman.*

Mr. B. P. Vaidya, The Sitalpore Sugar Works, Ltd.,  
Sitalpore.

*Members.*

Representatives of all the remaining factories.

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**2. GORAKHPUR AREA COMMITTEE.**

*Chairman.*

Mr. L. Kesar Ram Narang, The Punjab Sugar Mills Co.,  
Ltd., Ghughli.

*Vice-Chairman.*

Mr. J. R. Sealy, The Padrauna Raj Krishna Sugar Works  
Ltd., Padrauna.

*Members.*

1. Sardar Kripal Singh, Saraya Sugar Factory, Sardar-nagar.
  2. Mr. Balmokand Shah Sawhney, The Ramkola Sugar Mills Co., Ltd., Ramkola.
  3. Mr. B. O'Sullivan, The U. P. Sugar Co., Ltd., Tamkahi.
  4. Mr. Radhe Lal Murarka, The Diamond Sugar Mills, Ltd., Pipraich.
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3. BASTI AREA SUB-COMMITTEE.

*Chairman.*

Mr. A. J. B. Vincent, The Balrampur Sugar Co., Ltd.,  
Balrampur.

*Vice-Chairman.*

Mr. K. Deva, The Nawabganj Sugar Mills Co., Ltd.,  
Nawabganj.

*Members.*

Representatives of all the remaining factories.

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**Starting of Crushing Operations.**—A Joint General Meeting of all the three Groups was held on 14th November 1937, in the Imperial Bank Hall, Gorakhpur, and endorsed the Lucknow decisions regarding starting of crushing operations in these Areas. It also supported the Committee of the Association in their policy with regard to the cane rates and the proposed cess on cane and recommended to them to continue the agitation against higher cane rates and cess.

The Gorakhpur Group in its meeting of 28th November 1937, however, felt the necessity of recommending to its members to postpone the crushing date to 11th November, 1937, or to an even later date in view of the shortage of cane in the district by 27%, as announced by the Government, and of the low recoveries obtaining in that part of the year due to unripe cane crop, as also to give more time to the factories to complete their arrangements for Zoning. In spite of the efforts of the Sub-Office some factories expressed their inability to implement the recommendation on account of their having already proceeded with arrangements for starting crushing on 6th December 1937, in conformity with the Lucknow decisions. It is, however, gratifying to note that with the exception of a few factories all the remaining mills of the three Groups abided by the Lucknow decisions, *i.e.*, not to start crushing operations before the 5th December, 1937.

**Zoning.**—The subject of Zoning assumed much practical importance this year. The Government introduced the Zoning Scheme in the Gonda, Basti and Gorakhpur districts by reserving

areas for each individual factory along with the allotment of out-stations for rail-cane. In the Gorakhpur district it was worked with greater thoroughness and no purchasing agents were allowed. The factories dealt directly with growers and the supply of cane was regulated by means of requisition slips.

Like previous years the Sub-Office this year as well prepared a consolidated Crush Statement for the Season 1936-37 and a detailed comprehensive statement of rail-cane figures was circularised to all the member-factories. The latter statement was found to be very useful by all when the reservation of areas for the factories was in progress.

**Control of Sowings of Cane.**—The matter was taken up both by the Gorakhpur and Basti Groups. The Gorakhpur Group in their meeting of 23rd January 1938, held to consider a letter of the Collector regarding the Zoning Scheme and future sowings, resolved that as the responsibility of control of sowings rested with the Government the plantings should be so controlled that estimated outturn of cane for crushing season 1938-39 does not exceed probable outturn figures of the crushing season 1937-38 in progress. The Basti Group meeting though agreeing as to the responsibility of the Government in the matter of control of sowings, however, wanted an increase in the acreage of future sowings in the Gate Zones of such factories as had requested for such increases. In another meeting of the Basti Group the Government was requested to stop the propaganda that the factories were not responsible to take cane beyond ten miles from the factory, which the Patwaris and some other responsible Government officials were carrying on in the villages. Specific instances where the villagers were being asked to do so were given.

**Ratooning and elimination of undesirable varieties of cane.**—The Gorakhpur as well as the Basti Group discussed this question in their respective meetings. Both the Groups recommended to the Government that Ratooning should be controlled and a maximum limit of 25% of the total area under cane be imposed. The Basti Group was further of the opinion that cane should not be ratooned for more than one year and that the factories would be compelled to reject ratoon cane of more than one year if such was offered to them. Further both the Groups recommended that Deshi and undesirable varieties should be totally eliminated and that only approved varieties be planted or ratooned. The Basti Group

favoured Co. 213 and wanted it to be encouraged. It wanted the late and early ripening varieties to be discouraged on account of the impracticability of effective control over their supplies as also due to the poor resources of the cultivator who could ill-afford to stay long. It was pointed out that diseases like red rot, etc., were much more prevalent in this Area during the year due to excessive ratooning which had consequently affected the recoveries adversely. It was, therefore, recommended that diseased cane should not be used by the grower for future plantings. The Saran Area Committee at their meeting on 31st July 1937, recommended to the Head Association to impress upon the authorities the necessity of intensifying propaganda through the Government Farms for better farming of cane in the Gate Areas in consultation with the factories.

In accordance with the resolutions of the Gorakhpur Group regarding control of sowings, ratooning, etc., the Collector of Gorakhpur issued orders to his revenue staff to do propaganda among the growers that the plantings of cane should not be increased and that in the matter of varieties of cane, ratoon and *desi* cane the wishes of the factories must be respected. The factories also started propaganda in their respective zones. The Cane Inspector, Gonda, also informed the Sub-Office that printed leaflets were being distributed in the villages asking the tenants not to ratoon cane for more than one year or sow *desi* cane.

**Placing of Clerks by the Government Inside the Mills to Watch Cane Weighments and Interference by the Local Congress Officials in the Internal Management, i.e., Regulation of Cane Supplies.**—Instances of the above having been brought to the notice of the Basti Area Committee, they adopted a resolution deprecating the imposition of clerks on the mills and protesting against interference by them. They were alleged to be carrying on propaganda adverse to the interests of the mills. A specific instance of local Congress officials having grossly interfered in the internal management of a certain factory in the matter of cane supplies was also brought to the notice of the Basti Area Committee. The Committee recommended to the Head Association to take up the matter with the proper authorities to prevent the occurrence of such incidents in the next season.

**Roads.**—The Saran Area Committee first considered the question and felt the necessity of having good roads to avoid the

dislocation of cane traffic which usually occurs on rainy days during the crushing season on account of the bad conditions of roads. They felt that in view of the taxes which they paid to the Government they were entitled to expect better communications, and therefore recommended to the Head Association to represent the matter to the authorities concerned.

The Basti Area Committee also recommended to the Government that approach roads to railway stations be maintained in a proper state of repairs which, all agreed, were in a very bad way indeed.

**Forward Sales.**—The Gorakhpur Group meeting of 28th November, 1937, felt that the promised help by the Governments of U. P. and Bihar to the Sugar Industry through legislation recognising the Syndicate might take some time to materialise. They noticed that some factories had in the meanwhile started selling and releasing sugar in the market to the detriment of those factories which had large stocks of sugar left over with them, and that these sales were in the nature of January-March delivery forward sales. The members, therefore, resolved that the Head Association should move the Premiers of U. P. and Bihar to take some immediate steps to stop the activities of these factories in the *interim* period.

The Chairman of the Gorakhpur Group wrote to the Head Association on the subject suggesting to them to approach the Premiers of the said Provinces with the request that the Governments of U. P. and Bihar be pleased to impress upon the Central Government the necessity of introducing licensing for the whole of India.

**Licences.**—Two meetings one each of the Gorakhpur and the Basti Groups were called to consider the question of grant of licences for extensions of existing factories which had applied for them, and of the erection of a factory at Khalilabad. The Gorakhpur Group agreed to the principle of the grant of extensions to existing factories, where such extensions were exclusively designed to increase efficiency and not crush. The Basti Group was definitely against the erection of any new factory in the Basti Area, but in view of the fact that the Shiromani Sugar Mills Ltd., Khalilabad, had purchased machinery three years ago, which was lying on the spot, and had started construction long before the Act was even in contemplation, it has no objection if licence were granted to the



said Mills as a special case. However, as the mill was bound to affect the cane supplies of the neighbouring mills materially on starting its crushing operations, the members suggested to the Head Association that when Zones were to be demarcated the Zoning officer should keep in mind that the supplies of the existing mills are not affected.

In case of a few other licences the Sub-Office circulated the Government Notifications to the members of the Group to which the applicants belonged with a request that their objections, if any, be sent direct to the Head Office.

**Rate War in Saran.**—Reports of payment of higher cane rates having been received by the Head Office, the Sub-Office was instructed by them to put the matter before the Saran Area Committee. A meeting was accordingly convened to meet at Siwan on 14th March, 1938. The meeting was held for two days and ultimately a solution agreeable to all was evolved. It is, however, regretted that it worked hardly for two days and rate-war broke out afresh at many of the stations. All possible efforts were made to check the rate-war, but in spite of the best intentions on the part of every one, nothing concrete could be decided. The rate-war continued till the end of the season in Saran. It was fortunate that the rate-war started a bit late in the season, which, if it had commenced earlier, would have caused immense loss to the factories. Even as things were, the amount paid in excess of the minimum rates fixed by the Government could not have been insignificant.

At Ramkola Station as well, in the Gorakhpur district, prices above the Government minimum rates were paid by the two local factories for a short period towards the end of the season. The Chairman, Gorakhpur Area Committee, intervened in the matter but no settlement was reached. Luckily it ceased soon after due to the exhaustion of cane in the area.

**Miscellaneous.**—The Office collected figures of Sugar Freights from the factory stations to the different consuming centres as obtaining in the Western and the Eastern districts of U. P. For this purpose a few factories in West U. P. and a few in East U. P. were selected and a statement giving the rates were prepared and circularized to the members.

The current wage rates of labourers as paid by the District Board of Gorakhpur, the P. W. D. in Gorakhpur and the Municipality of Gorakhpur were also collected by the Sub-Office and circulated to the members for information.

The Basti Area Committee in one of its meetings recommended to the Head Association to approach the Government for the extension of the "Fyzabad Electricity and Gogra Pumping Irrigation Scheme" to the neighbouring districts of Basti, Gonda, etc., as also for impressing upon the Government the necessity of appointing Advisory Committees as provided under the U. P. Factories Control Act, 1938.

**Syndicate.**—In September, 1937, the services of the Superintendent were requisitioned by The Indian Sugar Syndicate Ltd., and he had to tour in that connection for one whole month. He had to collect samples of damaged sugar which were sent to the Syndicate's Office, Calcutta, for price fixation. He also inspected the godowns of the factories and reported on the condition of the stocks as well as of the damaged sugar. In the last week of February, 1938, he was again asked by the Syndicate to go round some of the factories in the Gorakhpur district to explain the circulars regarding collection of statistics.

In compliance of the instructions received from the Syndicate's Office, Calcutta, the Sub-Office convened two meetings, one each of the Basti and Gorakhpur Groups on the 9th and 11th of March respectively, to elect two representatives of each Group for the Committee to meet in Calcutta in view of the basic prices of sugar and to submit their report thereon to the Board of Directors of the Syndicate. The Groups also nominated one prominent sugar merchant each from Amritsar, Karachi, Bombay, Cawnpore and Madras to serve as Co-opted member on the aforesaid Committee.

**Conclusion.**—During the year under review about 13 meetings were held which were fairly well attended. This was the third working year of the Sub-Office and it rendered useful service to the members under its jurisdiction. It is hoped that with greater co-operation from the members the Sub-Office will give still greater service and extend its activities further.

L. S. BISHT,

*Superintendent.*

*Dated 19th July, 1938.*

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INDIAN SUGAR MILLS ASSOCIATION,  
MORADABAD SUB-OFFICE.

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*Report on the working of the Sub-Office for the year  
ending 30th June, 1938.*

The Committee of the Association decided to lend to the Indian Sugar Syndicate the assistance of the Sub-office. During the first quarter of the year, the Sub-office helped the Syndicate in collecting sugar samples, etc., from factories in western U. P. The Superintendent also went round the factories to report on the condition of sugar in stock and godown capacity, etc., of the mills.

The question of cane supplies next came under consideration and in this connection factories' figures of the previous year's cane-supplies at gate and outstations were collected to form a data for successful handling of the contemplated mutual zoning arrangements. Estimates of mills' cane requirements for the current season were also made and meetings of R. K. R. and Mid-western U. P. groups were held to arrive at some common understanding to avoid competition.

*R. & K. Group.*—Two successive meetings of the group were held at Bareilly. Another meeting was also called at Neoli which had, however, to be postponed. There was a general apprehension in the minds of the members that any mutual agreement that may be arrived at in the matter of cane-supply will not be adhered to as some factories had violated agreements in the past. However, after prolonged discussion at subsequent meetings a common agreement was reached and a scheme of mutual zoning arrangement was evolved, which has been complied with by the factories.

It was also decided not to fix weigh-bridges in the interior.

A common date for starting of factories was fixed to be 1st December, 1937.

The Head Office was requested to take up the matter of reduction of Railway freight on cane traffic with the R. & K. Ry. authorities.

The new factory at Kashipur was persuaded to become the member of the Association.

*U. P. Mid-Western Area Committee.*—The problem of cane-supply was difficult to tackle in the U. P. mid-western area which is widely spread. In several meetings this question was tackled but with partial success, necessitating a few more meetings of small groups consisting of three or four factories situated close to one another. Agreements dividing the stations among themselves were arrived at which are still adhered to except with some changes made by the collectors of different districts in enforcing the Government scheme of reservation of areas.

The election of the new Chairman was held on the 11th October, 1937 at Moradabad and Seth Kishori Lal, Managing Director, The Lakshmiji Sugar Mills, Ltd., Maholi, was elected as Chairman of the Group.

Six meetings in all were held.

The following important points were discussed:—

1. The complaint of Messrs. Carew & Co., Ltd., Rosa, regarding the opening of Shahjahanpur cane purchasing centre by Pilibhit was successfully dealt with. An assurance by the Raja Saheb of Pilibhit was given that the centre will not be opened this year.

2. On the proposal of Messrs. Carew & Co., Rosa, the Head Office was requested to gather relative figures of damaged cane crop this year and take up the matter of effecting suitable reduction in cane prices with the Government for the affected areas.

3. The matter of restrictions placed by the E. I. Ry. on sugarcane and sugar traffic during the forthcoming Kumbh-Mela was referred to the Head Office with a request that it may be taken up with the Railway authorities.

4. A common indent form to be used by all the factories was issued by the Divisional Superintendent, Moradabad, for the supply of empties which was approved with certain alterations.

5. Notice No. 501 under Sugarcane Rules 5(2) issued by the Collector, Moradabad, to the Upper Ganges Sugar Mills Ltd., Seohara, was considered and the Head Office was requested to take up the matter with the authorities that the procedure adopted by the collector was wrong.

6. Cane organisation scheme issued by the U. P. Government was discussed and criticisms framed with a view to put forward the same before the Cane Commissioner in a joint meeting of the

groups to which, it was decided, the Commissioner might be invited.

On the 28th September, 1937, a Conference of all the mills on the E. I. Railway and the N. W. Railway was called by the Divisional Superintendent, Moradabad. It was only attended by the factories situated on the E. I. Railway. The following points were discussed :—

1. Prospects of rail-borne cane for each mill in this season were studied and the Superintendent, Sub-office, Moradabad, was asked to supply the figures to the railway authorities to facilitate the cane traffic.

2. Re: indent for trucks of sugarcane, it was agreed to adopt a common form to be circulated for the approval of the mill-owners and it was also agreed to submit indents for empties in triplicate two days ahead.

3. The question of the over-loading of sugarcane trucks was discussed and factories were requested to avoid overloading. Further the question of loading sugarcane wagons after sun-set was discussed and it was agreed by the Divisional Superintendent that certain amount of laxity in the appliance of this rule will be allowed on suitable cases to facilitate the present working of the mills.

4. Question of security deposit for plots at stations for sugarcane loading was taken up and the Divisional Superintendent agreed not to demand security every year but allow the old securities to continue.

5. The Divisional Superintendent, Railway, further agreed that the allotment of plots be taken up before 31st August every year and the mill representatives be duly consulted.

The question of zoning and reservation of cane areas was taken up in the meeting called by the Collector, Moradabad, on the 19th January, 1938 at which certain stations were exclusively reserved for each mill after hearing the objections of those concerned.

Two meetings of the mills of both the groups whose cane crop was seriously damaged were held at Sitapur and Lucknow.

Facts and figures were collected and a case was drawn up. A written representation was made to the U. P. Government and twice a deputation had to wait on the Commissioner, Hon'ble the Premier and the Secretary in charge of the Industries Department, U. P.

First a reduction of -/ -/6 per maund was granted which was later on considered to be too low and the factories had to close down for some days. However, a further reduction of -/ -/6 was granted and the mills resumed working.

In spite of the above mentioned reduction at least one of the factories, namely, Messrs. Carew & Co., Ltd., Rosa, is still doubtful whether it is worthwhile crushing the damaged cane of that locality and has asked this office to help them by suggesting them a suitable place wherefrom they may be able to draw their supply of good cane. This is a difficult problem to tackle specially when there is reservation of stations made by the Government and the Co-operative Societies are the only cane-supplying agencies to all factories.

However, useful suggestions have been made to them after consultation with the officers of the Co-operative Societies of several districts.

Besides the above common problems, this office has been able to render help to the members in their individual local difficulties in pursuance of the orders of the respective Chairman. Some of those are as referred below:—

1. Supply of some parts of the machinery to the Amroha Sugar Mills Ltd., which has recently completed its erection.

2. The matter of extension of siding and loading platform at Jangbahadurganj for the Rosa Sugar factory and cane supply to it.

3. Permission to construct a culvert beneath the railway assisted siding for Doiwala Sugar factory.

4. Allotment of plots at several stations and extension of siding for Maholi.

A joint meeting of both the groups was held at Bareilly on the 23rd January 1938.

Besides other questions regarding Syndicate, etc., it was decided to hold joint meetings of both the groups after every meeting of the Syndicate.

G. S. BEDI,

*Acting Superintendent.*

MORADABAD, dated 30th January 1938.

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## APPENDIX IV.

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*Proceedings of the Joint Sugarcane Conference convened by the Governments of the United Provinces and Bihar and held at Lucknow on September 29th and 30th 1937.*

The conference convened by the Governments of the United Provinces and Bihar to consider various questions connected with the sugar industry in the two provinces met at the Council House, Lucknow at 2-30 P.M. on 29th September 1937. The Hon'ble Pandit Govind Ballabh Pant, the United Provinces Premier presided. He welcomed the delegates to the conference and pointed out that this was the first occasion on which a joint conference had been held, and emphasised the need for harmonising the interests of all concerned. Numerous considerations have to be borne in mind in fixing the minimum price of sugarcane; such price should not be below the cost of production; at the same time the effect of an increase in the price of cane on that of sugar should be considered as also the effects of such increase on our trade in sugar with other parts of India, which consumed two-thirds of the sugar produced. The feasibility of raising the price of *gur* should also be considered. The factories were trying to undersell each other and there was serious danger to all concerned and the necessity for strengthening the sugar syndicate or establishing another suitable form of marketing organization should be realised. The question of manufacturing power alcohol should be examined, the advisability of zoning looked into, the quality of the cane improved; steps taken to remove the grievances of canegrowers and improve labour conditions in factories. He assured the conference that the views expressed by it would receive careful consideration. The Hon'ble Dr. Syed Mahmud, Minister of Education and Development, Bihar, pointed out the need for organization among cane growers, dwelt on the necessity for giving fair cane prices and fair treatment to labour and pleaded for good will on all sides.

A brief general discussion then took place. Mr. Sherwani stated that it was necessary to keep the sugar industry alive in the United Provinces and Bihar, and the possibility of manufacturing sugar in

South India should be borne in mind; it was necessary to enter into agreements with other provinces in order to safeguard our industry, to introduce the licensing of new factories or the extension of existing ones throughout India and strengthen the sugar syndicate. He referred to the cane rules as a colossal hoax and pointed out that malpractices by cane growers went unchecked. Mirza Abdul Latif Beg invited attention to the plight of those growers who do not supply cane to factories and who only get 2 annas a maund for their cane; they number two-thirds of the total and have to depend on *gur*; steps should be taken to improve the *gur* industry. Mr. Jamuna Karjee held that millowners had profited at the expense of cane growers; they were guilty of many malpractices and were responsible for sugarcane having remained uncrushed in the last season.

In reply to inquiries about the estimates of the Agriculture Departments of the cost of production of sugarcane, Mr. Richards held that the visible cost of cane production varied between 2 annas 9 pies and 3 annas 6 pies at the fields of the growers; these figures included all actual expenses including rent and labour charges at the usual village rates but did not include items such as depreciation or implements, interest charges etc.; allowing for the latter and for transport the cost of cane at the factory came to between 3 annas 9 pies and 4 annas 6 pies. It had been found at Government farms that after allowing for labour at 5 annas a day, the costs of cultivation (excluding supervision charges) came to 3 annas 6 pies a maund; and on this basis the cost in the village should be three annas two pies; adding nine pies for costs of transport, the average cost of cane delivered at the factory would be four annas, but to this something should be added for profits and for the fact that the costs of many cultivators exceed the average. Mr. Sethi said that it had been found after enquiry that the cost varied between two annas two pies and five annas a maund and the average was three annas four pies at the field. At a farm of 1,300 acres it had been found that the costs varied from one anna ten pies to three annas six pies according to the season, labour being paid for at local rates. Allowing for cartage the cost of cane at the factory would come to four annas six pies to which an addition should be made for delay in weighing and loss of two crops and so he considered six annas to be the minimum that should be fixed.



Mr. Varma stated that the finding of the Congress Committee which enquired into costs of production was that they amounted to Rs. 100 per acre, the outturn of an acre being 150 maunds. Mr. Sethi pointed out that the average yield should be taken as not less than 250 maunds—275 maunds for plant cane and 215 for ratoon cane. Mr. Wood held that the average cost of cultivation was Rs. 47 per acre and the average yield 240 maunds in the case of cultivators, though the outturn in the case of planters was 400 maunds; the cost of production was thus three annas three pies a maund on an average. Mr. Shibban Lal Saxena said that according to calculations made by a friend in Gorakhpur the cost of production came to four annas nine pies a maund; the yield had been taken at 200 maunds a bigha; at the Government farm the outturn was 395 maunds an acre, but the costs of cultivation amounted to Rs. 70-11 excluding supervision and irrigation charges and rent. At Tepeganj 220 maunds were produced at a cost of Rs. 82, including rent, irrigation and interest. Mr. Khushiram stated that the costs of production in Meerut, including labour at local rates, came to 4 annas 3 pies at the field. Mr. Babu Ram Varma gave the outturn as 250 maunds and the cost of cultivation per acre as Rs. 97-8 in the Etah district.

Mr. Khaitan explained that sugar mills were not opposed to organizations of cane growers and had no desire to give anything less than fair prices for cane; in fact they had protested last March against the proposal to reduce the minimum price and had agreed to continue cane crushing although it involved them in loss as desired by both the Government and the Congress in order that growers might not suffer. He next invited attention to the difficulties which the sugar industry in the United Provinces and Bihar has to face. It is necessary for us to be able to export our sugar to South India, if our industry is to survive; unless we are in a position to do so, in spite of the heavy freight disadvantage the industry would be developed in Indian States and we would lose our markets; as a result factories would close and cultivators would suffer. As regards the consumption of sugar he opined that it would be freely consumed if its price was between Rs. 5-8 and Rs. 6 but if the price rose above Rs. 6, its consumption would decrease; the recent increase in the price of sugar was responsible for the present apprehension that large stocks would be carried forward and

this would result in shortening the crushing season. He held that the high minimum price of annas 5 fixed for cane was responsible for the large increase that had taken place in its area, but that in the present conditions its price should not be below annas 4. The ideal to be aimed at was that cane should be grown profitably at annas 2 a maund as in Java and factories would be willing to give monetary assistance to attain this end. He then gave figures and tried to show that with cane at annas 4, allowing pies 6 for transport by the factory and a recovery of 9 per cent. the cost of the cane in one maund of sugar came to Rs. 3-1-6, and allowing for the excise duty of Re. 1-7-6 and costs of manufacture at between Re. 1-12 and Rs. 2, the cost of sugar came to Rs. 6-7 a maund, exclusive of profit to the factory which should be annas 8 a maund. These figures were however challenged, especially as regards costs of manufacture. To the criticism that factories were actually selling below this price, Mr. Khaitan replied that they had bought their cane at much less than annas 4 and could therefore afford to sell it at a lower price than what he had calculated; besides the excise duty paid in the earlier part of the last season was only Re. 1 and not Re. 1-8 as at present. He held that the price of cane should be annas 4 if the market price of sugar was Rs. 7 or less, but later suggested that during the coming season the price might be 4 annas 6 pies for gate cane and annas 4 for cane purchased at outstations. He however invited attention to the fact that cane growers who made *gur* got only annas 2 a maund for their cane and yet the area had increased. Finally he emphasised the need for a proper marketing organization accompanied by the licensing of new factories so as to control production; if any province refused to license he would compel it to fall in line by dumping sugar there; he also wanted legislation to compel all factories to join the marketing scheme.

Mr. Shriram felt that whatever price was fixed it would not be effective unless there was a proper marketing organization; for, if cut throat competition were allowed to continue, some factories would be forced to close down and the cultivators would suffer. All the factories should be made to join the syndicate; at present some 17 factories in the United Provinces and Bihar have not joined it; they could be made to join by fixing higher minimum prices for cane sold to such factories. Some factories would not join the syndicate as they were able to profit by the arrangements made by

it and dispose of their stocks. A syndicate was also necessary for purposes of export, as Afghanistan would not deal with different firms but only with one central organization. The factories in the west United Provinces have always paid a higher price for their cane than the prescribed minimum; if annas eight were paid for cane, the industry could survive, but would not be able to compete in South India but at annas six a maund for cane it should be possible to run all factories, provided proper marketing arrangements were made; he admitted that if the price of sugar goes up the consumption was bound to decrease. He wanted a difference of  $\frac{1}{2}$  an anna between rail borne and gate cane. Mr. Sherwani corroborated Mr. Shriram and said that the majority of factories agreed with the latter and suggested that the price of cane should be annas one a maund higher for factories which would not join the syndicate. He however enquired as to what would happen if the price of cane was annas six when there had been over production when its price was annas five.

Mr. Mehd explained the point of view of factories which had not joined the syndicate. The matter should be examined as a business proposition. The syndicate was started without capital and was of a speculative nature; it could not purchase the sugar which was held by the various factories. Secondly no standards had been accepted; the quality of the carryover of 150,000 tons was unknown. Again action had not always been straight forward and some members of the syndicate had made *benami* transactions and sold their sugar at annas two less than the syndicate. He held that if the price of cane were increased, consumption would go down. He would accept a national marketing board on a rational basis but he did not think Government would be justified in backing up a syndicate which had no financial backing.

The Hon'ble Dr. Katju enquired what effect the fixing of a high minimum price would have on the price of existing stocks of sugar. It was generally agreed that the price of such stocks would go up and the holders of these stocks would get unearned profits. Mr. Narang pointed out that the stocks in hand on 1st September 1937, were 310,000 tons but were expected to be only 125,000 tons by 1st November 1937. Mr. Shriram held that many factories had paid high prices for their cane and were selling at a loss and there

should be no objection to their being allowed to recoup the same, if they agree to a high minimum price.

Mr. Muljee strongly criticised the operations of the syndicate and of its members. When starting, false hopes were given to the members that the price of sugar would go up considerably. Many of the members gave incorrect information about their stocks. - Only some 50 out of 90 members had any stocks and thus half the members had no real interest in the working of the syndicate. He pointed out that merchants had all along been buying from members of the syndicate at below the prices fixed by the syndicate and some members had even made forward contracts at such prices. The whole trouble is that the syndicate had not succeeded in gaining the confidence of all concerned and emphasised that such confidence must come from within. He admitted that a marketing organization was necessary but it should act in co-operation with the merchants and not attempt to take shortcuts; a detailed plan of work should be drawn up showing what the costs would be. His estimate was that if the price of sugar went up to Rs. 7-8 the consumption of sugar would decrease by 50,000 tons and if it went up to Rs. 8, consumption would go down by 75,000 tons, Mr. Bhartiya held that the syndicate as constituted simply attempted to put up prices; the only result of such action would be to encourage the establishment of more factories in South India and Indian States. He had no objection to a properly controlled syndicate.

Mr. Narang admitted that some of the complaints made against the syndicate were justified. There may have been mistakes and various difficulties had been encountered. But it must be remembered that the idea was evolved in a hurry and the whole scheme was of an experimental nature. It is true that some members had not submitted correct returns of their stocks, but that was because they were afraid that they might be put to serious loss if the syndicate were not successful; he pointed out that the members would have no chance of doing so in future. He admitted that there was some apprehension among its members that the syndicate would not continue to function much longer but he considered that this was unjustified. He said that the members of the syndicate were producers of 75 per cent. of the sugar made in the United Provinces and Bihar. Mr. Shriram added that all that have been said against

the syndicate might be true, but it was for the critics to come and help it to become a success. He had no objection to some sort of Government control. Mr. Sherwani held that the syndicate was good enough for 70 lakhs, and Government should help it and make all factories join it—otherwise it was not likely to succeed.

It was next considered as to why the cane area had continued to increase, though the cultivator got so little for his cane, especially when he made *gur*. Mr. Baburam Varma held that if factories could not work at a profit they might close down but they should not try to ruin the cultivators; he did not agree that a rise in the price of sugar would result in less consumption. Mr. Saghir-ul Haq said that cultivators continue to grow sugarcane as it is the only money crop. Mr. Vivek Singh pointed out that factory owners wanted quick returns and had planted their factories in areas which were already under cultivation instead of in areas where there was virgin soil; but new areas were now coming into cultivation and so the cane area was increasing; the Sarada Canal was also responsible for some increase. Moreover the repercussion of prices affected the cultivator after some time; but they would soon realise that it does not pay them to grow cane and the area is likely to decrease before long.

Mr. Chandreshwar Prasad Narayan Sinha said that he looked at the matter from the point of view not of a grower or a factory owner but of a nationalist. He agreed that the cultivator must have enough to live upon, and that the cost of production of cane should be reduced to as low a figure as possible but doubted if our figure could be brought down to that of Java. He held that the cost of manufacture of sugar varied from 14 annas to Re. 1-4 a maund. He favoured a minimum price of 6 annas but admitted that those who made *gur* got only 2 or 2½ annas for their cane. The amount of *gur* made in Bihar however was small. He pointed out that the effects of prices reach cultivators late and that they cannot calculate profits and losses as better educated persons can do; the cane area will in a short time go down if the price realised for it continues to be low.

Mr. R. C. Srivastava pointed out that the higher the minimum price of cane, the higher would the cost of production of cane become; a high price would encourage cultivators to grow cane on unsuitable

land. The real problem of the cultivator is to dispose of his *gur*. The consumption of *gur* is 65 lbs. per head in the United Provinces as against 25 in India as a whole; Bihar consumes only 14 lbs. and Madras  $8\frac{1}{2}$  lbs. per head. A market must be found for our surplus *gur* and if we can export our *gur* a great deal of the problem will be solved. The United Provinces produced 600,000 tons of sugar and consumed only 125,000; Bihar produced 330,000 and consumed 60,000 tons. On the other hand Bengal produced 24,000 and consumed 140,000, the corresponding figures for Bombay are 38,000 and 243,000 and for Madras 21,000 and 85,000. It is essential for the United Provinces and Bihar to sell their sugar in Bengal and South India; a high price for cane will prevent us from selling our sugar in other provinces for the price of sugar will go up; our production will have to be curtailed and the result will be that a few cultivators may get a high price and the rest would suffer. He considered a suitable marketing organization under some sort of Government control to be essential; it should be on an all-India basis.

*30th September 1937.*

The Conference resumed its sittings at 10-30 A.M. on 30th September.

The HON'BLE DR. KATJU summed up the discussion of the previous day and finally discussed the question of *gur* manufacture and the *gur* cane grower, which was referred to by Mr. Srivastava. The Members of the United Provinces Government, he said, attach the greatest importance to this problem. In Bihar it does not exist in such an acute form as it exists in this province. There can be no doubt that at least 60 to 65 per cent. of the cane is consumed in the manufacture of *gur*. It is a matter for consideration whether the *gur* cane grower gets a fair value for his cane or not. He had put a question to some members from Bihar and they agreed that the *gur* manufacturer does not get more than two or two and half annas for his cane. He believed that the outside figure would be roughly three annas. We should like to have further light thrown on this matter. He desired members present to discuss whether it is not possible to introduce *gur* refineries again. In the early days there used to be *gur* refineries, but they have become practically extinct. There is a report from the I. C. A. R. in which it is stated

that there is no future at all for *gur* refineries, but it should be considered whether it is possible to have *gur* refineries which might work all the year round. We should like to know some method by which we can confer some benefit upon the *gur* cane grower—that man who has no access to the factory but has access only to *gur* manufacture. Next, he should like to have assistance from the mill-owners on the question what in their opinion is the cost of production of cane to the grower—not the minimum cost but what is a fair and reasonable price which the cane grower should get.

The HON'BLE DR. MAHMUD outlined a scheme for a marketing organization. He suggested an inter-provincial sugar control board which would supervise the working of the syndicate and advise about its working, take measures for the licensing of factories and serve as a permanent standing committee. The industry should meet the costs of the Board. If other provinces and States would not join, all-India legislation might be necessary. There was some difference of opinion as regards Government nominees being appointed as directors of the syndicate, and the factory owners promised to examine the suggestions at their meeting on 6th October and submit their considered views later.

Mr. Ghandhi considered that if the price of cane is fixed at 4 annas the syndicate will crash; he saw no reason why the cultivators should get a low price because of cut throat competition among manufacturers. He recommended a minimum of 6 annas for gate cane and 5 annas 6 pies for outstation cane, and suggested a higher minimum for factories which did not join the syndicate.

Mr. Sherwani said that we cannot fix the price of raw materials without controlling the finished product; the syndicate was essential and must be of an all-India character. He however emphasised that without arrangements for preventing the establishment of new factories in Indian States, it would be difficult to make the marketing organization a success. He held that in working out the costs of manufacture Mr. R. C. Srivastava had not taken into consideration the cost of transport and interest and feared a serious crisis if a high price was fixed for cane. He suggested 5 annas for gate cane and 4 annas 6 pies for railborne cane but would be prepared to accept 5 annas 6 pies and 5 annas respectively but thought that in the latter case the price of sugar would have to go up to Rs. 8-5.

Mr. Shriram considered that it would not be possible to enforce a high minimum price unless all factories were to join the syndicate. He suggested that the minimum price might be six annas at the gate and five annas six pies at outstations; or five annas and four annas six pies respectively in addition to a tax of one anna a maund which would be utilised by Government for strengthening the marketing organisation encouraging exports, improving roads, helping to utilise molasses and so on.

Mr. Khaitan pointed out that it was necessary for us to export our sugar to Ceylon, Afghanistan, etc. We must reduce the costs of production of cane and increase the efficiency of cane production; we could not afford to let the industry stagnate. If Government are forced to reduce the price towards the end of the season, there may be serious difficulties. He thought a fair minimum price would be four annas six pies for gate cane and four annas for railborne cane. He held that the consumers had gained 15 crores owing to protection. *Gur* refineries had to close as it did not pay to refine sugar from *gur*.

Mr. Merajuddin said that he was willing to keep the rate of cane as high as possible, consistent with the condition that they would not have to close down. In calculating costs of manufacture adequate allowance should be made for the fact that labour should be properly paid and technical staff should not be discharged every few months.

Mr. Gray agreed with Mr. Khaitan that the minimum price should be four annas six pies at the gate and four annas at outstations.

Mr. Sherwani pointed out that formerly factories used to purchase cane at nine annas a maund and there was no over-production; why then was there over-production where the price was annas 5. The real reason was that an artificial stimulus had been given to cane production; factories were started because they were led to expect large profits. During the slump the price of wheat fell so low that cane was the only paying crop but the area was now likely to decrease and there might soon be a shortage of cane. In February 1936 the price of cane was good hence a large area was sown; the cane was held up because the cultivators expected a higher price in April but next season they will not repeat this mistake. Cultivators



have not stopped growing cane for the same reason as factories have not closed down in spite of losses they live in hopes of better times.

Mr. Raghubar Dayal stated that the cost of production of cane was annas 7 a maund and a fair price to be paid for it by factories should be annas 10. No harm would be done if sugar factories close down for they would then be able to sell handmade sugar at Rs. 10 or Rs. 12 a maund.

Mr. Jamuna Karjee said that cane could not be produced below annas 6 a maund and hence a fair minimum price was annas 8 a maund. The welfare of the agriculturist is more important than the safety of the capital invested. The cane acreage has increased as cultivators must get money and sugarcane was the only cash crop.

Mr. Shibban Lal Saxena suggested that the price of cane should be fixed irrespective of that of sugar. It was necessary to organise the cultivator and to improve methods of cultivation. The cane area had increased because of good prices realized two years ago. The export of *gur* should be encouraged.

Mr. Vijaipal Singh said that he would not object to the syndicate, provided the cane grower got a fair price. Factories should not be allowed more than 6 per cent. profits. The cane area had increased because of the previous high prices but it is likely to diminish now.

Mr. Khushi Ram held that the price of cane should determine that of sugar, and that the minimum price should be  $6\frac{1}{2}$  annas. He did not approve of the idea of having two different minimum prices and wanted that they should be the same both at the gate and at out-stations. He feared that factories would start crushing late and wanted propaganda to be carried on for *gur* manufacture; he thought the price of *gur* would increase with that of sugar. He anticipated that the crop this year would be very poor.

The Hon'ble the Premier enquired to what extent the price of sugar could be raised without affecting consumption. Mr. Khaitan held that if prices went up, consumption was bound to decrease unless there was an improvement in the purchasing capacity of the people; he would not like the price to go above Rs. 7 for beyond that consumption would be affected appreciably. Mr. Narang agreed and added that if the price fell below Rs. 6 consumption

would increase. Mr. Shriram corroborated this and referred to an enquiry by Mr. Livingstone at Delhi showing that with a fall in the price of sugar its consumption had increased. Mr. Sherwani also held that if the price went up beyond Rs. 7 there would be over-production of sugar. Mr. Har Sahai Gupta thought that prices had no bearing on consumption. Mr. Shibban Lal Saxena was of opinion that if sugar prices rose to Rs. 8-8 consumption would be unaffected. Mr. Mulji pointed out that invisible stocks should be taken into consideration in estimating the amount of sugar consumed.

The Hon'ble the Premier next asked if the representatives of cane growers agreed that factories should be allowed to make reasonable profits and should crush the maximum of cane. Mr. R. K. Malaviya thought that protection had conferred no benefit on the cane grower and unless this could be ensured there was no point in continuing protection.

The question of fixing a minimum price for sugar and the machinery required for the same was next raised by the Hon'ble the Premier. Mr. Khaitan said that orderly marketing was essential but there should not be undue interference as regards the manufacture or the marketing of sugar. He suggested that new factories should be licensed but admitted that this device would not result in the regulation of sugar prices. Mr. Shriram pointed out that this sort of licensing would have to be done by legislation on an all-India basis. He suggested that one of the conditions for the issue of a licence might be that sugar should not be sold below a certain price; factories would accept this as a last resort if the syndicate could not succeed. The only way in which factories would be forced to join the syndicate at present was by compelling them to pay a higher minimum price for cane if they do not join. The Hon'ble the Premier did not approve of utilizing a law meant for a different purpose; he pointed out that the industry could not be stabilised unless prices could be stabilised also and the terms on which licences could be issued would have to be settled between Government and factory owners. It was decided that a sub-committee should be appointed to go into the question of marketing of sugar and stabilising its price. The Indian Sugar Mills Association wanted four or five representatives thereon and the Indian Sugar Producers Association asked for two. The Merchants also

desired to have their own representatives on it. Attention would have to be paid in this connection to the quality and grade of sugar and to its deterioration.

The Conference next took up the question of zoning. Mr. Khaitan agreed to it in principle but wanted a sub-committee to be appointed to go into its details. Mr. Sherwani held that zoning must be accompanied by licensing and enquired what would happen if the growers refused to enter into agreements. Mr. Shriram insisted that if there was zoning and bonding, both sides should be bound; there should be a responsibility on the grower to supply good cane. Moreover if the growers in the zone refused to bond their cane, and arrangements were made with others, the factory might not be able to take over all the cane in the zone. Mr. Vijaipal Singh was opposed to zoning. Mr. Abdul Latif Beg preferred bonding to zoning. Mr. Shibban Lal Saxena wanted zoning to be tried experimentally for some factories, with necessary safeguards. Mr. Wood was opposed to zoning. Votes were taken and it was found that 18 persons were in favour of zoning in principle and five—all of them representatives of cane growers were opposed to it. It was decided to appoint a sub-committee to examine the matter in detail and put up concrete proposals which would be generally acceptable.

Reverting to the question of a suitable minimum price for cane, the Hon'ble the Premier desired that an effort might be made by the exponents of the different views to come nearer each other. It became clear however that this was not feasible. As regards the fixation of different rates for gate cane and railborne cane, it was found that opinion was equally divided—10 persons on behalf of factories wanting a rate of six pies less for railborne cane and 10 on behalf of growers desiring the same rate for both. Further 12 persons favoured varying rates during the season and only four wanted a uniform rate throughout. As regards a minimum price it was found that 15 persons were in favour of six annas and 13 against this figure.

The various directions in which help was needed were next touched upon. The Hon'ble the Premier pointed out the need for helping the *gur* manufacturer; and for taking steps to utilise molasses as power alcohol or otherwise; bagasse is used as fuel and there was

at present no problem about that. Cane cultivation has however to be improved but money has to be found for that. Mr. Shiram stated that the Department of Agriculture should allow farmers to bring cane direct from Coimbatore and elsewhere for experiment. He suggested that a statutory body, like the Indian Central Cotton Committee, should be established to administer a cess; one pice per maund on cane would bring in 40 lakhs. Mr. Khaitan added that the factories would co-operate to improve cane, but the extent of the monetary help they would give would have to depend on several factors and it had to be considered whether the cess should be levied on sugar or on cane. Mr. Narang however did not agree to a general cess. Mr. Sherwani invited attention to the danger of factories trying to buy up land if cane prices were high. He also referred to the octroi and other charges levied by local bodies and pointed out that he had been pressing for this year after year and Government promised to look into the matter but did nothing.

The Conference next took up the question of labour in factories. Mr. Merajuddin asked for protection for factory employees especially the technical staff whose services were often retained only for a few months each year; he also objected to the employment of foreigners. Mr. Narang said that the technical staff was usually kept for half the year and given half pay for the rest of the year. Unskilled labour is however discharged after the season is over. Mr. Merajuddin agreed that if a retaining fee of half the pay was allowed, there was no objection. On behalf of unskilled labour Mr. Shibban Lal Saxena pointed out that in his enquiry he had found that the average wages of labourers were Rs. 6 a month, but in many cases they were Rs. 5 a month and occasionally even Rs. 4 a month. He also complained that fines were often heavy and dismissals arbitrary; persons were made to work even after their shifts were over. Housing accommodation was insufficient and there was overcrowding. After some discussion it was generally agreed that the minimum wage should be 5 annas a day. In reply to enquiries by the Hon'ble the Premier Mr. Shiram said that factory owners were opposed to trade unions run by outsiders but had no objection to unions of the labourers themselves.

The question of the encouragement of co-operative societies of growers was next discussed. Mr. Khaitan held that it was in the

interests of cane growers themselves to deal direct with factories; societies did not always restrict themselves to supplying the cane of their members and sometimes demanded a higher price than that contracted for. Mr. Narang said they had no objection to these societies but the position of both the cane growers and the factories should be secured. Mr. Mehd said that his experience of societies had been very happy. Mr. Lall stated that some factories were not willing to have any dealings with cane growers' co-operative societies. At present many factories do not even know from what villages they get their cane and the only contact they have with the grower is through middlemen. One factory openly refused to have any dealings with co-operative societies functioning in the area from which it obtained its sugarcane. Mr. Pakshi mentioned that in one case a factory had refused to take delivery in spite of a contract. Mr. Shriram said that these societies should not be allowed to purchase cane at prices lower than the minimum price. The Hon'ble the Premier pointed out for achieving progress in cultivation, it was necessary to train and organize the growers and there should be a network of societies. These organizations should be encouraged as far as possible.

In conclusion the Hon'ble the Premier thanked the members of the conference and especially those who had come all the way from Bihar and assured them that his services would be at their disposal. The sugar industry is very important and it is the duty of everyone to organize it. There is really no conflict between the interests of growers and manufacturers and given a spirit of mutual good will all the difficulties in front of the industry would be surmounted. Mr. Narang thanked the Governments of both provinces and added that whatever had been said at the conference by the factory owners was in the best spirit and in the best interests of the industry. Mr. Shibban Lal and Mr. Jamuna Karjee also joined in thanking the two Governments for holding the conference.

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## APPENDIX V.

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*A brief summary of the decisions taken at the Sub-Committee Meetings convened jointly by the Governments of U. P. & Bihar at Patna on the 19th and 20th October 1937.*

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### I. MARKETING OF SUGAR.

The Governments of U. P. & Bihar agreed that it was very essential to have a central marketing organisation so as to avoid the wasteful internal competition among the factories themselves in the sale of sugar. They also agreed that it would not be possible for any marketing organisation to function satisfactorily so long as all the mills did not join the Organisation. It was therefore announced on behalf of the Governments of U. P. & Bihar that these two Governments will give legislative assistance to the Indian Sugar Syndicate by making it imperative for every factory in these two Provinces to join the Syndicate.

This proposal is to be done by enacting a legislation to make it compulsory for every factory in the U. P. & Bihar to take out a licence for the working of the factory. One of the conditions of this working licence will be that the factory must be a Member of the Indian Sugar Syndicate. The Governments also reserved their right to impose any other conditions such as fixing the number of days of crushing, etc., in the license. It was however agreed that before the form of licence is formally drawn up the industry would be given a chance to express its opinion as regards the conditions proposed to be imposed in the licence. It was stated that this legislation will be in the first instance for a limited period.

In view of this legislative assistance to the Syndicate, it was agreed that the Syndicate's affairs will be directed by a Board of Directors consisting of 25 Members of whom the Governments of U. P. & Bihar would nominate a total number of 6. It was also stated on behalf of the Governments that they would have some sort of control over the fixation of the selling price of sugar by the Syndicate in order to safeguard the interests of the consumers. The exact form of this control was left to be decided upon after the

present Board of Directors of the Syndicate had discussed the matter among themselves.

## II. LICENSING.

The Governments of U. P. & Bihar also agreed to the proposal that the erection of any new mills and the extensions of the existing ones will be allowed only under a licence.

## III. ZONING.

A memorandum on the question of the regulation of cane supplies to sugar factories by a system of zoning was put up before the Sub-Committees on behalf of the Governments a copy of which has already been circulated to Members as per this Office circular dated the 5th October 1937. A note in reply to the various points raised by the Government Memorandum was submitted to the Sub-Committees on behalf of the manufacturers. All were agreed on the principle that zoning would be desirable. It was decided that after considering the note put up by the Association a detailed scheme of zoning will be drawn up by the Governments of U. P. & Bihar and the interests concerned will then be consulted on it before finalising the same. In view of the cane crushing season fast approaching it was recognised that it was not possible to introduce a comprehensive scheme of zoning for the season 1937-38 but both the Governments expressed a desire to carry out the experiment on a voluntary basis in certain particular areas during this season in order to gain experience.

## IV. MINIMUM PRICE OF AND CESS ON SUGARCANE.

The question of the minimum price of sugarcane was also casually referred to during the course of the discussions at the Sub-Committee Meetings. It was made clear on behalf of the Governments that annas -/5/3 per maund for gate cane and annas -/5/- for rail cane as announced in the draft notifications may be taken as the absolute minimum for the season below which the Governments would not fix the price of cane. It was also stated that as agreed at the Lucknow Conference held at the end of the last month, the Governments will collect a cess on each maund of cane crushed in the factories after the 15th of December. The cess from the 15th of December to the 15th of January will be one pice (3 pies) per maund and from 15th January onwards it will be at the rate of 2 pice (6 pies) per maund on all cane.

## V. U. P. &amp; BIHAR INTER-PROVINCIAL SUGAR BOARD.

It was announced at the meeting at Patna that the Governments of U. P. & Bihar had decided to set up an inter-provincial sugar Board to be an advisory and consultative Body to both the Governments on all matters pertaining to the Industry. It was further announced that the Board will consist of 15 Members, made up as follows:—

|   |    |
|---|----|
| Hon'ble Ministers of both the Governments of U. P. & Bihar in charge of the Dept. concerned | 2  |
| Secretaries of both the Governments of U. P. & Bihar in charge of these Departments.        | 2  |
| Representatives of the Indian Sugar Mills Association                                       | 4  |
| Representatives of Merchants  | 1  |
| Government Nominees (including one Sugar millowner)   | 6  |
|   | 15 |

This Board will be a standing Body to which the Government may refer all the questions arising from time to time pertaining to the sugar industry. The decisions of the Board will however be recommendatory in nature.

## VI. POWER ALCOHOL COMMITTEE.

The U. P. & Bihar Governments also announced at the meeting the appointment of a power alcohol Committee in order to prepare a scheme for the manufacture of power alcohol from molasses and to consider other uses of molasses.

## VII. SUGARCANE RULES.

It is understood that the Sugarcane Rules of both the Provinces of U. P. & Bihar are being redrafted and will be published soon with the necessary changes.

The Hon'ble Pandit Govind Ballabh Pant, Premier of the U. P. who presided over the meetings at Patna declared on behalf of both the Governments of U. P. & Bihar that they will leave no stone unturned in order to help the industry to stabilise itself.



## APPENDIX VI.

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*Proceedings of a General Meeting of the representatives of all Member factories held at Baradari Hall, Kaiserbagh, Lucknow on Thursday the 11th November 1937.*

PRESENT:

As per list attached.

Mr. D. R. Narang, President of the Association took the Chair.

The President briefly explained that the meeting had been convened to place before the members, the developments during the last few weeks with regard to the question of marketing of sugar, licensing of factories in that connection, the minimum price proposals of the Governments of U. P. and Bihar, the proposal to levy a cess on sugarcane crushed in factories and the system of zoning, etc.

With regard to the question of Government assistance to the marketing organisation namely the Indian Sugar Syndicate and the question of the conditions to be imposed in the working license proposed to be issued by the Governments of U. P. and Bihar it was noted that the Indian Sugar Syndicate in the General Meeting earlier in the day had unanimously passed a resolution declaring in favour of Government assistance and authorising a Committee of 7 to approach the two Governments to request them to pass the necessary legislation at an early date, and to settle on behalf of the manufacturers the terms in the working license, etc. A similar resolution with the addition of the name of Mr. R. K. Dalmia, or in his absence Mr. S. P. Jain to the Committee of 7 was then proposed from the Chair and was carried unanimously. The resolution runs as follows:—

“That in the interests of the cane grower, the Sugar Manufacturer, consumer and the Government itself, it is necessary that there should be a marketing organisation and, whereas it is very difficult to form a Syndicate or a similar marketing organisation without state help it is hereby resolved that both the Governments of U. P.

& Bihar be approached to pass suitable legislation for taking powers to compel every sugar producer to join the Syndicate or Marketing Organisation and also legislate for the licensing of factories.

As regards the conditions to be laid down in the license, it is resolved that a Committee of the following gentlemen be appointed to approach the Governments with powers to discuss and settle the conditions necessary for the said license".

MR. D. R. NARANG.

LALA KARAMCHAND THAPAR.

MR. D. P. KHAITAN.

MR. J. M. LOWNIE.

SETH RAMKRISHNA DALMIA.

Mr. R. L. NOPANY.

LALA SHRI RAM.

MR. F. A. SHERWANI.

With regard to the minimum price of cane proposed to be fixed by the Governments of U. P. & Bihar, the meeting approved of the action of the Committee in protesting to the Government against the same as per representation submitted to them. With regard to the proposal to levy a cess on sugarcane crushed in factories also, the meeting approved of the action taken by the Committee.

With regard to the question of the regulation of cane supply to sugar factories and the system of zoning, the President explained that the question was discussed at length at the recent Sub-Committee Meetings of the Governments convened at Patna at which the Association was also represented; but in view of the fact that the question required detailed consideration and that there being no time for introducing any such system of zoning by legislation, etc., for the season 1937-38, it was decided at the Patna Conference, that no legislative action need be taken in the coming season. The President pointed out that the U. P. Government have appointed a Cane Commissioner in the province in order to help factories in this work of the regulation of cane supplies on a voluntary basis for the coming season. He further mentioned that the Bihar Government are also likely to take similar action. He also informed the meeting

that the Committee had decided earlier in the day to circularise all members in U. P. and Bihar inviting their opinion on the scheme circulated by the Government.

Mr. Mohammad Farooq then raised the question of fixing a starting date for the factories in U. P. & Bihar. The Chairman asked for the sense of the house whether the question be taken up and majority of the members being in favour of the question being taken, there was a prolonged discussion on the subject during the course of which various proposals were made with regard to the fixing of dates of starting of the factories in U. P. & Bihar with a different date for factories in the Meerut Division. It was suggested by some members that the Meerut Division factories be allowed to start ten days earlier than the other factories. Lala Shri Ram pointed out that last year the Association had admitted that a difference of 14 days as reasonable. He protested against the lowering of the period.

After a prolonged discussion a proposal was made that the Meerut factories be allowed to start 12 days earlier than the factories in the rest of the two provinces and this was unanimously agreed to.

Mr. R. E. Grant Govan wanted an assurance from the factories on the Meerut Division that during the period in which they were allowed to start earlier than the other factories, they will not buy cane from the Mid-Western U. P. Area. The question of fixing exact dates for the starting of factories was then taken up, and it was resolved that no factory in the provinces of U. P. & Bihar should start before the 5th of December 1937, excepting factories in the Meerut Division which may start from the 23rd November.

It was also resolved unanimously that the new season's sugar should not be put on the market before the 20th December 1937.

The meeting then terminated with a vote of thanks to the chair.

Copy forwarded for information to:—

All Members of the Association.

All Members of the Committee.

All Branch Bodies.

*Secretary.*

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*List of persons who attended the General Meeting.*

| NAMES OF PERSONS.                      | NAMES OF MILLS REPRESENTED.   |
|--|---|
| D. R. NARANG, ( <i>President</i> ) ... | Basti Sugar Mills, Basti.   |
| LALA KARAMCHAND THAPAR ...             | { Deoria Sugar Mills.<br>Shree Sitaram Sugar Mills.                               |
| LALA SHRI RAM ...                      | { Daurala Sugar Works.  |
| CHÓWDHURY MUKHTAR SINGH. ...           |   |
| SARDAR KRIPAL SINGH ...                | { Saraya Sugar Factory.   |
| DR. CH. NIELSEN ...                    |   |
| MR. F. A. SHERWANI ...                 | { Neoli Sugar Factory.<br>Saraswati Sugar Mills.                                  |
| SETH RAMKRISHNA DALMIA ...             | { Rohtas Industries Limited<br>South Behar Sugar Mills.                           |
| MR. M. P. GANDHI ...                   |   |
| LALA JASWANTRAI ...                    | { S. K. G. Sugar Mills.<br>Jaswant Sugar Mills.                                   |
| MR. PIRMANAND VIRMANI ...              | { Diwan Sugar Mills Limited.  |
| MR. R. P. NEVATIA ...                  | { Hindustan Sugar Mills Limited.  |
| LALA DWARAKADAS ...                    | { Motilal Padampat Sugar Mills.   |
| MR. J. M. CHAND LAL ...                | { Kamlapat Motilal Gutaiya Sugar<br>Mills.  |
| „ GURU SHARAN LAL ...                  | { Gaya Sugar Mills Limited.   |
| „ JOGESHWAR PRASAD ...                 |   |
| RAJA NARAYANLAL BANSILAL ...           | { Harinagar Sugar Mills Limited.  |
| MR. B. P. JHUNJUNWALA ...              |   |
| SETH BANSIDHAR JALAN ...               | { North Bengal Sugar Mills.<br>Setabganj Sugar Mills.                             |
| MR. R. L. NOPANY ...                   | { Shree Hanuman Sugar Mills.  |
| „ B. M. NASARULLAH ...                 | { Campierganj Sugar Mills.  |
| „ J. R. SEALY ...                      | { Padrauna Raj Krishna Sugar<br>Works.  |
| „ M. L. DAHANUKAR ...                  | { Maharashtra Sugar Mills Ltd.  |
| „ S. K. CHATTERJI ...                  | { Shanker Sugar Mills Ltd.  |
| „ B. N. KAIMANI ...                    | { Mahabir Sugar Mills Ltd.<br>Mahaswastika Sugar and Indus-<br>trial Corporation. |
| „ HIRALAL BAUKA ...                    | { Seksaria Sugar Mills Ltd.   |
| „ DURGA SHANKER ...                    | { Burhwal Sugar Mills.  |

|                            |                           |  |                                  |
|----------------------------|---------------------------|--|----------------------------------|
| MR. KIRPA NARAIN           | ...                       | } Amroha Sugar Factory.  |                                  |
| " CHHAIL DE LAL            | ...                       |  |                                  |
| " R. E. GRANT GOVAN        | ...                       | } Raza Sugar Co.   |                                  |
| " C. Y. CAMBRIDGE          | ...                       |  |                                  |
| SETH KISHORIAL             | ...                       | } Lakshmiji Sugar Mills Co., Ltd.  |                                  |
| SETH RAMRATHAN             | ...                       |  |                                  |
| MR. W. K. DUNSFORD         | ...                       | } Purnea Sugar Co.<br>Darbhanga Sugar Co.  |                                  |
| " A. B. SHAKESPERE, C.I.E. | Cawnpore Sugar Works Ltd. |  |                                  |
| " J. M. LOWNIE             | ...                       | Champanan Sugar Co., Ltd.  |                                  |
| " C. O'MALLEY              | ...                       | Purtabpore Co., Ltd.   |                                  |
| " B. L. GRAY               | ...                       | } Ryam Sugar Co., Ltd.<br>Balrampur Sugar Co., Ltd.<br>Samastipur Central Sugar Works. |                                  |
| " R. B. LACHMAN DAS        | ...                       |  | Gulzarimal Ramchand Sugar Mills. |
| " M. L. BAGLA              | ...                       |  | Ganesh Sugar Mills Ltd.          |
| " K. S. PESREICH           | ...                       | } Simbhaoli Sugar Mills.   |                                  |
| LALA HARIRAJ SWARUP        | ...                       |  |                                  |
| MR. RAJENDRA LAL           | ...                       | } Upper Jumna Swadeshi Sugar Mills.  |                                  |
| " NARENDRA LAL             | ...                       |  |                                  |
| " DEBI PRASAD              | ...                       | Upper Doab Sugar Mills Ltd.  |                                  |
| " N. N. MITTER             | ...                       | L. H. Sugar Factories and Oil Mills.   |                                  |
| " RAM RASHPAL AGRAWALA.    | ...                       | H. R. Sugar Factory.   |                                  |
| " RAMSARAN DASS            | ...                       | Ramkola Sugar Mills.   |                                  |
| SETH FATEH CHAND           | ...                       | Lucknow Sugar Works.   |                                  |
| MR. KRISHNA DEVA           | ...                       | Nawabganj Sugar Mills.   |                                  |
| " MOHAMMAD FAROOQ          | ...                       | Pipraich Sugar Mills.  |                                  |
| " LALCHAND HIRACHAND       | ...                       | Ravalgaon Sugar Farm.  |                                  |
| SETH BANSIDHAR             | ...                       | } Lakshmi Sugar and Oil Mills Ltd.   |                                  |
| MR. RAMESHWARDAS           | ...                       |  |                                  |
| " B. C. KOHLI              | ...                       | Ganga Sugar Corporation.   |                                  |
| " RUDRA PRATAP N. SINGH.   | ...                       | } Padrauna Raj Krishna Sugar Works.<br>Jagdish Sugar Mills.                            |                                  |
| " P. V. MEHD               | ...                       |  | Behar Sugar Works, Pachrukhi.    |
| " KASHIPRASAD              | ...                       | } Ratna Sugar Mills Co., Ltd.  |                                  |
| " M. R. PARIKH             | ...                       |  |                                  |

## APPENDIX VII.

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*Note of discussions with members of the Select Committee appointed by the Bihar Legislature to consider the Bihar Sugar Factories Control Bill, 1937 held at Patna on the 4th December, 1937.*

Mr. J. M. Lownie, and Mr. R. L. Nopani met the Members of the Select Committee at the Secretariat at Patna on the 4th December 1937, in pursuance of the Bihar Government's invitation to discuss the provisions of the Bihar Sugar Factories Control Bill

*Section 2(f).*—It was explained by the representatives that the restriction of the application of the Bill only to vacuum pan factories would give a great fillip to the Khandsaris and that it may pull down the prices of white sugar also. An assurance was given that if at a later stage it was found that these fears came out true the Government would promptly undertake legislation to deal with them also.

*Section 8(i).*—As regards appointment of inspectors the Select Committee agreed with the proposal that non-officials should not be appointed but declined to provide any further qualifications in the Act itself.

*Section 9(i).*—It was decided to add the word 'new' before the word 'factory' in the third line of the sub-section so that the effect of the provision may not be to prohibit even repairs or building of godowns, etc., in the case of existing factories.

*Section 9(4).*—It was pointed out by some members of the Select Committee that in Clause 4 of Section 9, the portion providing for the reference of an application for license to a tribunal may be deleted, as it was enough if in deciding an application, the Provincial Government consults the Advisory Board. It was therefore agreed to delete the words "or refer application and objections to a tribunal constituted in the prescribed manner for advice."

*Section 11(d).*—It was pointed out by the representatives that it was not fair to factories to put the upper limit of the amount of the

cane to be crushed by them during the crushing season at as high a figure as 100 times the maximum daily crushing capacity of the factory, which in actual practice would amount to 125 days of normal crushing. It was therefore suggested that the word 'maximum' be substituted by the word 'scheduled'.

The Select Committee, however, decided to delete the proviso altogether and it was stated that the matter will be provided for in the rules. However, the word 'total' was substituted by the word 'minimum'. It was also agreed that safeguards for factories not being able to crush cane on account of circumstances beyond their control will also be provided for in the rules.

*Section 14.*—With regard to the submission of estimates of the quantity of sugarcane to be purchased by factories during the following crushing season it was explained by the representatives that it was extremely unfair to factories to require them to supply such estimates too much in advance of, and in the absence of any knowledge of the minimum price of sugarcane, during the following season. It was suggested by some members of the Select Committee that such estimates should be required from the factories before the sowing for the next season started; which would mean anything between 14 to 18 months before the start of the next crushing season. The representatives further explained that correct estimates could not be formed till the current season came to an end and the position with regard to the stocks that may be carried over to the next season was known. It was decided by the Select Committee that this matter be provided for in the rules after giving due consideration to the views of the representatives of the Association.

*Section 16.*—It was pointed out that the cost of the survey should not be imposed upon the factories as it was as much in the interests of the cane growers that the survey should be made and that therefore the cost of the survey should be borne by the Government. An assurance was given that directions will be issued to the authorities concerned not to require factories as a rule to contribute to the cost of the survey. The Select Committee, however, decided to retain the provision as it is in view of some particular circumstances which may make it necessary that the cost of the survey should be recovered from the factory.

*Section 17(i).*—It was pointed out that the rule as it stands puts no obligation upon the cane growers to have their names noted in the register referred to in the clause and that the factories were required to make a list of all the cane growers irrespective of the fact whether or not all of them actually grew and could offer cane for sale to the factories. It was further pointed out that all cultivators could represent themselves as intending cane-growers and the provision therefore meant that all the cultivators in the reserved area would have to be listed. It was, further, pointed out with regard to sub-clause 2 of the rule that factories should not be responsible for wrong entries made on the basis of incorrect information supplied by the cane-growers. The Select Committee, however, decided to retain the rule as it is and an assurance was given that penalties in regard to this provision will be imposed only in very exceptional circumstances. It was further stated that applications by cane growers for correction of entries will be required to be made on stamped paper.

*Section 18(1 & 2).*—It was pointed out by the representatives that it was difficult for factories to enter into agreements with cane growers in regard to supplies of cane without knowing in advance the price that they would have to pay for it.

As regards the date by which such agreements will have to be completed, it was decided that provision will be made in the rules.

The representatives pleaded for the right of factories to deal directly with cane-growers and protested against the prohibition in regard to direct transaction with growers who were members of the Cane Growers' Co-operative Societies. The Select Committee decided to retain the provision as it is.

*Section 18(3).*—It was decided to delete the words "delivery agent" in the proviso.

*Section 18(5).*—It was pointed out that in the proviso to sub-clause 5 "agreements made with the cane growers in the assigned area up to the date of the order under sub-clause 5" should be excepted from the prohibition and not only agreements made before the commencement of the crushing season. It was therefore decided



to substitute for the words "before commencement of the crushing season" at the end of the proviso the words "before the order of the provincial Government made under this sub-clause."

*Section 20.*—The proviso to clause (c) was amended so as to read "provided that a person entitled to purchase cane may take delivery thereof through a cane grower or a carrier."

The words "delivery agent" were deleted.

*Section 21(3).*—It was amended so as to read "the amounts payable to cane growers shall be subject to such deductions as may be prescribed".

*Section 22.* It was explained by the representatives that different varieties of sugarcane suited different parts of the province and that therefore it was unfair that factories should be made to pay additional price for a special variety even though some of them may not want it.

It was stated that the object of the provision was simply to provide for the payment of additional price in respect of these special varieties in any particular area which have been specifically encouraged by the factories. Such additional price, therefore, was payable only when factory owners agreed to do so in the agreements previously entered into by them with the cane growers. It was therefore to be understood that no additional price will be imposed on factories in regard to particular varieties of sugarcane throughout the province.

It was suggested by the representatives that this section should be re-drafted in the light of the discussion.

*Section 23(2).*—The representatives protested against the provision prescribing license for any employees of factories.

It was stated that only a particular class of employees will be required to obtain licenses under special circumstances.

*Section 25(i).*—It was agreed that the words "resident in Bihar" in line 4 of the proviso be deleted.

*Section 26.*—It was submitted that before the order of cancellation of a license was passed in the event of a second breach of rules

under the act sufficient opportunity should be afforded to the factory to represent its case. An assurance was given that instructions to that effect would be issued and the matter would also be provided for in the rules.

*Section 28.*—It was pointed out that offences under the act should not be tried by any magistrate lower than the second class magistrate.

The Select Committee decided to substitute the words 'Cane Commissioner' for the district magistrate and amend the other relevant provisions accordingly.

*Section 29.*—It was agreed that the proposed cess on sugarcane would not exceed the rate calculated on the basis of annas -/3/- per maund of sugar produced by the factory during the season.

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## APPENDIX VIII.

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### Speech on

THE BIHAR SUGAR FACTORIES CONTROL BILL, 1937.

*By Dr. Syed Mahmud, Minister of Education and  
Development, Bihar.*

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SIR,

I rise to move that the Bihar Sugar Factories Control Bill, 1937, be referred to a select committee. In doing so it is perhaps unnecessary for me to make any apology to this House for the long speech which I am about to deliver. The legislation contemplated is of a far reaching character and of fundamental importance. It is impossible for the Minister incharge of this measure to place it before the House without explaining in detail its necessity, its objects and its implications. In doing so I hope also to be able to remove misconceptions, if any, regarding this Bill and to show that the proposals are of a Government which looks to all interests, namely, the cultivators, sugar factories and the consumers. In these circumstances, I trust that the House will bear with me for taxing its patience with a long speech.

### EARLY HISTORY.

#### *First Period.*

Before I deal with the proposals embodied in the Bill, it would perhaps not be out of place to take the House to the history of sugarcane in the country and particularly in Bihar from the very ancient times. Among the many contributions which India has made to the world, the cultivation of sugarcane with the manufacture of sugar and allied products from its juice is an important one. The word 'Sugar' and its equivalents throughout the civilized world are derived from the Sanskrit word 'Sarkara'. After carefully considering the philological evidence Sir George Watt concludes, 'Sarkara' appears to have given origin not only to the Arabic, Persian, Greek and Latin classic names, but to the extensive assortment of words

in the modern languages of India and Europe which are very nearly the direct equivalents of the English word 'sugar'. Though there is some difference of opinion among the authorities in accepting India as the original home of sugarcane, there can be no doubt that here alone it was first cultivated as a field crop of economic importance. And Bihar has always been, perhaps, the most important producer of cane sugar and allied products throughout the history. Sir George took great pains to find out if there was any mention of sugarcane or of sugar in the early literature of the other two ancient and contemporary civilizations, namely, the Hebrew and the Chinese. He could find no mention of sugar in Hebrew, and it is first mentioned in the Chinese literature in the first century B.C. On the other hand, he found the earlier Sanskrit Literature full of references to sugar.

The results of recent researches, brought to light evidence which goes to show as clearly as is possible under the circumstances, that sugarcane cultivation and the manufacture of most forms of sugar were as familiar in the 4th century B.C., to the cultivators of this province as they are to-day. Speaking of sugarcane, Ragozin in his book "Vedic India" says: "We find no trace of a time when the art of manufacturing molasses and sugar by boiling down and clarifying the saps was unknown in India". Mukerjee in his "History of Indian Shipping" indicates that even during the Pre-Mauryan period there is evidence which clearly shows that India supplied foreign countries with oil, brassware, a liquid preparation of sugarcane, etc., etc. But above all is the authoritative and clear evidence found in Koutilya's Arthasastra, said to have been compiled in the 4th century B.C. This marvellous book, recently discovered and translated by Dr. Shama Sastri, the genuineness of which seems to have been accepted by various authorities, contains numerous references to and directions for sugarcane cultivation, sugar manufacture and the use of sugar not only as human food, but also for cooking purposes, for distillation of liquor, and as food for elephants, horses and cattle. Thus we see that the modern use of manufacturing alcohol from molasses was not unknown to ancient India. The first period of the economic history of sugarcane may thus be taken to have ended with the invasion of India by Alexander in 327 B.C., when the knowledge of Indian products was thrown open to the outside world.

*Second Period.*

From the records of the Chinese and Western travellers it appears that the knowledge and cultivation of cane was slowly spreading in all directions from India. By the seventh century A.D. the plant seems to have spread eastward to China, to the Malayan Archipelago, and to the tropical islands of the East Indies and westward to Syria, and to the lands bordering the Persian Gulf. But that the new countries had much to learn in the art of sugar manufacture is evident from the fact that the Chinese Emperor Taitsung (627-650 A.D.) sent an emissary to Magadha to learn the art of sugar manufacture. At about this period the Chinese and the Egyptians appear to have begun to take great interest in the cultivation of sugarcane and the manufacture of sugar. The period from the 3rd century B.C. to the 7th century A.D. may be taken as the second period in the history of sugarcane when its knowledge and use were made known throughout the world.

*Third Period.*

From the 8th century we find great development in sugarcane cultivation and manufacture of sugar in China and in the rapidly expanding Muhammadan Empires. Unmistakable reference is made to sugarcane as cultivated on the shores of the Persian Gulf in the ninth century. The Crusaders found it in Syria. One of the historians of that period says: "The Crusaders found sweet honeyed reeds in great quantity, in the meadows about Tripoli, which reeds were called 'sucra'. Sanutus, who wrote in 1306, says that in the countries subject to the Sultan, sugarcane was produced in large quantities, and that it was likewise carried to Cyprus, Rhodes, Sicily and other places belonging to the Christians. West was thus indebted to the Saracens for the introduction in Europe of sugarcane cultivation. Refined sugar is recorded by the Chamberlain of Scotland to have sold then (1329) at about one ounce of standard silver by the pound. Marco Polo and other travellers in the 13th century found great quantities of sugar being produced in China. In fact, China improved on the process of refining sugar and produced a whiter and cleaner stuff which was brought to India and was called 'Chini'. Similarly the Egyptians produced what is known as 'Misri' (from Misr, *i.e.*, Egypt) by a process of double crystallization. Thus while the methods of cultivation and manufacture remained in

this country as they were in the time of Chanakya, other countries improved on them, and, there is reason to believe, not only captured a large share of the export trade in this commodity, but actually supplied India with 'Chini' and 'Misri'.

*Fourth Period.*

By the beginning of the 15th century the European nations began to progress and, as in everything else, they began to take interest in sugarcane cultivation.

According to Sir George Watt the Spaniards carried the cultivation and manufacture of sugarcane to the Canary Islands in the fifteenth century, but prior to that (1420) the Portuguese had conveyed it from Sicily to Madeira and to St. Thomas' Island. In 1506 it was taken from the Canary Islands to San-Domingo. The Dutch established sugar works in Brazil in 1580, but on being expelled from that country by the Portuguese, they carried the art of sugar manufacture (1655) to the West Indies. Sugar was manufactured by the English in Barbados in 1643 and in Jamaica in 1644. And with the next hundred years sugar plantations were well established in all the European colonies.

I have gone into some detail in describing the spread of sugarcane cultivation in all suitable and unsuitable places of the old and new worlds with a view to show how Bihar fell from the position of perhaps the premier producer and supplier of sugar to the world to a position of only one small unit out of so many. Moreover some of the colonial islands were found to be better suited to the cultivation of sugarcane than Bihar or Upper India in general. A suitable climate and soil in the colonies, with European enterprise, management and technical skill, helped by rapidly developing science, and unfettered by uneconomic traditions, laws of inheritance, tenancy, and religious prejudices, soon brought about a revolution in the cultivation of cane and manufacture of sugar, which left the indigenous industry of Bihar far behind in efficiency. And the world began to look to these other places for its supply of sugar.

*Fifth Period.*

The indigenous industry, however, struggled on to supply local requirements. Throughout the eighteenth century the history of

sugarcane cultivation in Bihar is so confused that it is difficult to get a true perspective. The country was in a state of chaos, and agriculture, industry and trade declined. We find in 1776, the merchants of Calcutta memorialized the Government on the decline of sugar trade and consequent losses that had been sustained. "Even so late" the memorial explained, "as the period immediately preceding the capture of Calcutta, in 1756, the annual export was about 50,000 maunds, which yielded a profit of about 50 per cent."

About the end of the eighteenth century an attempt was made to establish the industry on European lines. These endeavours may be stated to have been due to the action of the East India Company who realized that there were possibilities in Indian sugar. Several plantations and factories were started by Europeans in North Bihar and a few in South Bihar. For a time the trade flourished and it seemed as though the industry would be revived. But the company failed to get from the British Government the same preferential treatment as was extended to the sugarcane planters of the West Indies. In the meanwhile indigo had become more profitable than sugar. Many of the sugar plantations and refineries were therefore converted into indigo concerns. Besides, the difficulties of transport and heavy freight charges left little profit in the sugar trade. The Company, therefore, ceased to take interest in sugar and in 1820 gave orders that sugar should no longer form part of their commercial investments. The first attempt to establish the industry on a sound basis thus failed in Bihar.

#### *Sixth Period.*

This failure led the Government to hold an enquiry to find out the ways and means of improving the quality of cane and reducing the cost of sugar production. This enquiry was held in 1824. It was thought then that there was little hope for large manufacturing concerns and small factories were therefore recommended. In the absence of railways and consequent difficulties in transport, large factories were certainly impossible in those days.

A unique opportunity soon offered itself to the sugarcane-growers and sugar manufacturers of Bihar. With the emancipation of slave labour in 1838, the plantations in the East Indies were disorganised and many planters there sold their estates and came over

to India. The heavy protective duty in favour of the colonies was also abolished by the British Government in 1836. In an article in the *Bihar and Orissa Agricultural Journal* Mr. C. S. Taylor, the then Agricultural Chemist of this province, says: "..... In 1837 the question was discussed at a planters' meeting as to whether indigo should not be abandoned for sugar. This appears to have been the second epoch in European sugar enterprise in India, but the matter seems to have been dropped until 1845 when the price of indigo had fallen, and the Bihar planter turned to look for some more profitable crop, which he at last saw in sugarcane."

The export returns show this revival clearly. In 1836-37 the total quantity of sugar exported to Great Britain was about 260,000 cwt., but in 1840-41 it was 1,226,000 cwt. But the prosperity did not last very long. The whole thing came to a crash by about 1851. The history of the sugar industry during this period appears to be more or less analogous to the present boom, except in the fact that it then depended more on an export trade on 'fair field and no favour' basis, while the present one depends on the protected home market. It is reported that about £1,000,000 were sunk in sugar machinery in Bihar in that period. An analysis of the causes of this failure may therefore be of some interest at present and I can do no better than quote Mr. Taylor, who gives a most instructive description of it.

"Enormously good returns seem to have been obtained in the first place by the planting of Otaheite cane on small scale in particularly good land, and calculating from the results they obtained, the experimenters were of opinion that rapid fortunes would be gained by cane-growing. On their calculations they risked an enormous amount of capital in the importation and setting up of expensive machinery from England. The difficulties in their importation may easily be imagined when it is remembered that there were then no railways and that the whole of the journey from Calcutta to Bihar had then to be performed by river and road, both of which were frequently almost impassable. It appears that from £700,000 to £1,000,000 were sunk in machinery at this time."

"All kinds of land were put into cane and no rotation of crops was followed. In most cases no manure was applied and owing to this, and attacks of disease, the yields fell from sixty to two and a



half maunds per bigha. In addition to this, the sugar was, as a rule, boiled badly, and refused to granulate well. Owing to this fact, after travelling to Calcutta, the product became a sticky mass which sold for next to nothing."

"In face of all these difficulties those of the planters who had taken up sugar were rapidly brought nearly to ruin. Luckily for the planters, however, the price of indigo rose in 1849 and 1850 and sugar was rapidly abandoned for the more paying dye. A list given by Mr. Filgate, the Secretary of the Bihar Planters' Association, names thirty two distinct sugar concerns each started between 1842 and 1850 and all closed down in 1850 or 1851."

This failure should serve as an eye-opener to us at the present time. Similar dangers appear to be ahead of us if we do not take care. I am afraid history may not repeat itself.

It is probable, however, that the growers and manufacturers might have learnt from the mistakes they made and settled down to a solid basis on which a healthy industry could have grown, but for a most epoch making discovery in the manufacture of sugar from beet. In 1747, Professor Marggraf of Germany discovered the existence of sucrose in beet root. By 1840, beet sugar industry in Europe, particularly in Germany, had grown into a national enterprise, and began to control the sugar market of the world. It forced the colonial sugar producers to reform their methods and cheapen the cost of production to the utmost, by all possible means that science and skill could devise. It was not possible for Indian growers to do the same because age-old customs and laws and many others factors stood in the way. The inevitable consequence was that the indigenous industry collapsed and the country had to depend more and more on foreign sugar. The exports declined and gradually vanished and imports increased.

#### *Recent Developments.*

This is, in short, the early history of sugarcane and the sugar industry in Bihar. Sir, now I would like to come down to the recent history of the growth of the industry. The production of sugar in modern factories before 1932 when protection began was only about 1,00,000 tons while import was as high as 9,00,000 tons valued at about 15 crores. In 1931-32 the quantity of sugar pro-

duced was approximately 478,000 tons of which more than half was *khandsari* sugar. Throughout India there were only 32 factories which produced about 158,600 tons of white sugar. This was the position of the industry before protection. Then came the Tariff Board. The acceptance of the recommendations of this Board by the Government of India gave rise to an extraordinary development which will be clearly seen from the figures which I will now give to the House. In 1931-32, as I have already pointed out, there were in all only 32 factories producing 158,600 tons of white sugar, but in 1936-37 (*i.e.*, in only five years), the number rose to 140 factories producing 1,128,000 tons of white sugar. The nature and extent of the development of the industry is also reflected in the figures of the import of sugar into India. In 1931-32, 511,319 tons of sugar valued at a little over 6 crores of rupees was imported into the country, whereas in 1936-37 the total net import was only about 14,000 tons valued at a little over 9 lakhs of rupees. This in brief is the romance of the sugar industry in India. In five years India has become self-sufficient so far as sugar is concerned and, what is more important, she has become the largest sugar producing country of the world. This is indeed a miraculous achievement.

It may legitimately be asked what benefit has the country in general and the province in particular derived from this extraordinary development. In reply I will point out that in 1936-37 the value of the sugar manufactured in India was over 18 crores of rupees. The province of Bihar is next in importance only to the United Provinces and the production of white sugar in this province represents about 29 per cent. of the total production in India. When it is realised that 60 per cent. of the value of sugar represents the price paid to growers for sugarcane the importance of the industry to agriculturists will become obvious. In 1936-37 nearly 36 lakh tons of cane was crushed by the thirty-three factories in Bihar. At the minimum price fixed by Government this represents a payment of approximately  $2\frac{1}{2}$  crores of rupees to cane-growers. As the industry is concentrated chiefly in the Tirhut Division, and to a much smaller extent the Patna Division, it can not be denied that the cultivators of these areas have derived considerable benefit. We cannot, however, allow ourselves to be blinded by the glamour of this success. There are unsatisfactory features which should not escape our attention.

*Ills of the Industry.*

The rapidity with which the industry developed has given rise to many problems of which the most important is unhealthy competition amongst factories resulting in a precipitate fall in the price of sugar. During the last crushing season the price fell to Rs. 6 a maund as against about Rs. 9 a maund in 1934 and 1935. This drop in the price of sugar was due mainly to lack of standardization, absence of grading and the anxiety of factories with insufficient capital to dispose of their sugar as quickly as possible and for whatever price it may fetch. The lowering of the price of sugar is to the benefit of the consumer, but as the price of sugarcane is necessarily linked with the price of sugar the evil effects of unhealthy competition were also felt by the cultivator. In recommending protection the Tariff Board was largely influenced by the benefit which this would confer on agriculturists and the Government of India in 1934 passed the Indian Sugarcane Act which provided for the fixation of a minimum price for sugarcane. With the low price of sugar during the last crushing season, it was impossible for the Provincial Government to maintain a minimum price for sugarcane which would repay even the cost of cultivation. The main purpose of protection, namely the benefit to agriculturists, was thus being frustrated. This led to natural discontent and dissatisfaction on the part of cane-growers.

Another unsatisfactory feature of the industry has been the inefficient organisation for the supply of cane. While it may reasonably be claimed that the sugar factories in India have in their manufacturing processes reached a high standard of efficiency which compares favourably with other countries, the improvement of cane cultivation has been most disappointing. The cost of cane represents nearly 60 per cent. of the value of the finished product. Unless therefore, we are in a position to overcome our backwardness in the matter of cane cultivation our industry will continue to depend on protection and there is no further scope for expansion. Research has shown that we can not only improve the quality of our cane, but also its out-turn. The fruits of research, however, take a long time before they reach the cultivator. The out-turn of sugarcane is estimated at roughly 250 maunds an acre which is very low compared to other sugar producing countries. For instance in Java

the average out-turn is said to be about 1,200 maunds an acre. With a poor out-turn, the cost of sugarcane is inevitably high. If our growers could at least double the yield of cane and take to improved varieties with higher sucrose content not only would the price of cane be very much lower than what it is to-day but our industry will also be able to compete on more or less equal terms with other sugar producing countries. But for the improvement of cane cultivation the grower needs assistance. Unfortunately the lack of organisation in cane supplies is responsible for the lack of interest on the part of the factories in the improvement of cane cultivation. Even now most factories are anxious to assist their growers by giving advances for the purchase of manure and seeds of improved varieties, but on account of the uncertainty of cane supplies there is a natural reluctance on their part in making advances. If the industry is to be efficiently organised not only has cane cultivation to be improved but also the organisation of cane supplies. The ideal is a system of zoning which will give to the factory an assured supply of cane from its own economic areas. There are, however, many practical difficulties to which I will refer later when I deal with the provisions of the Bill.

*Problems of the industry.*

I will now recapitulate in brief the problems which are confronting the industry. In the first place, as I have already explained, its phenomenal expansion was due entirely to the policy of protection which was adopted in 1932. The question of the continuance of this protection has been referred to the Tariff Board and in this matter the decision rests not with the Provincial Government, but with the Government of India. Should protection be continued? If so, should the existing level of protection be maintained? These are questions of vital importance to the industry. Although the decision does not rest in our hands, a few pertinent observations are necessary. I feel that if the Government of India do not maintain the existing level of protection, the future of the industry is gloomy. It is true that the high tariff wall led to high profits, but this was a temporary phase and the era of high profits has definitely passed. From the 1st April 1934 the Government of India imposed an excise duty on sugar at the rate of Rs. 1-5-0 per cwt. This taxation curtailed profits. But the taxation of a protected industry should not, I feel, be such as to frustrate the very

object of protection. As I have already explained, the industry in India suffers from a serious agricultural handicap to overcome which the Provincial Government require large sums of money for effecting improvement in cane cultivation, its planned production and rational distribution. Unfortunately, when the excise duty was imposed in April 1934 the Government of India agreed to set apart only one anna per cwt. to a sugar excise fund from which allotments are made to the provinces. This is obviously quite inadequate for dealing with the all-important problem of agricultural improvement. We have received amounts varying from 2 to 3 lakhs per annum with which we have been able to touch only the fringe of the problem. In February 1937 the excise duty was raised to Rs. 2 per cwt. This additional excise in the midst of the crushing season caused considerable dislocation in the industry. The burden of the additional excise fell largely on the grower. Although the minimum price of sugarcane was already low, the Governments of the United Provinces and Bihar were compelled to make a further reduction in order to allow for the additional excise. It is our duty to protest against this inopportune enhancement of the excise duty which has had an admittedly adverse effect on our industry. With the excise duty at its present level, it is impossible for Provincial Governments to secure to the grower a fair price for his cane. If the industry is at all taxed, it is essential that the Government should set aside a very substantial amount for dealing with its most pressing problem, namely, the improvement of cane cultivation. If the industry has failed to become independent of tariff protection, it can legitimately blame the Central Government for not taking adequate measures for the improvement of cane cultivation. To my mind there is no justification for the lowering of the level of protection until by intensive propaganda and demonstration we are able to reduce considerably the cost of cultivation of cane. In this connection, I also wish to draw the attention of the Government of India to the possibility of a serious competition from Java during the next year. As we are all aware Java has curtailed her production of sugar during recent years, since the growth of the industry in India and other parts of the world. But I understand on good authority that Java is now increasing her production of sugar next year to about 1,500,000 tons, as compared with her production of only 500,000 tons in the years 1935 and 1936. As her markets in China and

Japan are likely to be restricted, it is very probable that Java may turn her attention once again to the Indian market and may reduce the C. I. F. price to Indian ports. I would therefore like to warn the Tariff Board and the Government of India to take note of this factor, and to take steps to safeguard this great national industry by maintaining, at least, the present level of protection. If, at this stage, there is any increase in the import of sugar, the consequences will be serious.

The reported decision of the Government of India to ratify the International Sugar Agreement presents another problem to the industry and is a fresh example of how India's economic interests are ignored and how Indian public opinion is brushed aside. The industry was not at all represented at the International Sugar Conference and the Sugar Association was not even consulted. Now that this agreement has been ratified India will be prevented from exporting her sugar to foreign countries. Calculations of experts go to show that if the factories work to their full capacity they will be able to produce about 14 lakh tons of sugar every year. About  $2\frac{1}{2}$  lakh tons will be in excess of the present annual consumption which is about  $11\frac{1}{2}$  lakh tons. India will have before long a large surplus of sugar after meeting her internal requirements. In view of this, it was an ill-advised policy to ratify this Agreement prohibiting Indian export of sugar by sea to any country.

It is a matter of considerable satisfaction to find that the industry has made very fair progress in the reduction of its manufacturing costs. But it suffers from a double handicap. The first is the agricultural handicap to which I have already referred, whilst the second is the problem of the disposal of an important by-product, namely, molasses. The latter handicap is one with which the present Bill is not concerned and I merely mention it so as to give a complete picture of the problems of the industry. On this latter question the Government of the United Provinces and the Government of Bihar propose to take joint action. A Committee is being set up to deal with it, but here too we have to lean heavily on the Central Government because without their assistance we cannot promote the manufacture of power alcohol out of molasses which, as far as we know, is the only solution.

I have taken a good deal of the time of the House in explaining the problems of the Industry, but I hope hon'ble members will agree that without a proper understanding of the problems of the industry it will be impossible to give due consideration to the provisions of this Bill. I will now proceed to state in brief the action taken by the Congress Government since it assumed office and the circumstances leading to the preparation of the Draft Bill which is now before the House. Our main concern was the interests of the growers, who, as is known to every member of this House, suffered badly during the last crushing season. As a result, there has been this year, from all accounts, a considerable diminution of cane cultivation. The interests of growers and manufacturers are inextricably bound up with each other and it has been realised by manufacturers that the discomfiture of the growers will have its repercussions on the industry. Low prices lead to a reduction in the area under cane with the result that in the following season there is a shortage of cane. With a higher price the tendency to over-production again manifests itself and then we have the lowering of cane prices beyond the economic level. There is thus a vicious circle of over-production and under-production which is not conducive to the stability of the industry. How then is this vicious circle to be broken! We decided that our best course would be to fix a minimum price which would repay the cost of cultivation and to insist on maintaining this minimum price throughout the season. If this policy was announced the factories would soon realise that it would not be possible for them to lower the price of sugar at the cost of the cane-grower and such a policy would, it was hoped, produce a healthy tone in the industry. The sugar industry is concentrated mainly in two provinces and I felt that if the Governments of these two provinces could come to an agreement it would not be difficult for them to tackle the problems of the industry in so far as such problems are within the competence of Provincial Governments. Accordingly, I had a draft Bill prepared, a copy of which I sent to the Hon'ble the Premier and the Hon'ble Minister in charge of Industries in the United Provinces. I then proceeded to Lucknow and discussed with them my proposals and also the question of the fixing of the minimum price of sugarcane during the present crushing season. I am glad to say that the co-operation which I received gave me great hopes and as a result of our discussions it was decided to convene a Joint Sugar Conference at Lucknow which was held in

the month of September. At this Conference the representatives of the industry expressed their fullest sympathy with our idea, but they rightly pointed out that this could not be achieved unless and until unhealthy competition between sugar factories was eliminated. It was unhealthy competition more than over-production which was responsible for the rapid downward trend in sugar prices. Without proper grading and an organisation for the sale of sugar this unhealthy competition could not be eliminated. This indeed was realised by the industry and a Syndicate was set up to deal with the marketing of sugar. Unfortunately, for some reason or other, a few factories were unwilling to join this organisation and it was urged that unless the Governments of the United Provinces and Bihar came to the rescue of the industry by introducing legislation providing for the licensing of factories and compulsory membership of the Syndicate, nothing could be achieved. This raised a very important question which required more time for consideration. A second conference had therefore to be convened at Patna in October where the question of licensing and proposals for legislation were discussed. It was after this Conference that the Bill in its present form was drafted. I realize that there may be imperfections of drafting. Our Bill has been prepared in a great hurry. We could not wait because it was represented to us that the licensing of factories must be introduced without delay and for the organisation of cane supplies it was necessary that the Bill should come into force before the planting commences for the next season. Our Bill provides for Government control from the preparation and planting of the seed to the distribution of sugar to the consumer. This is a big step, but I must make it clear that it is not Government that are anxious to assume full control, but the industry which is asking Government to save it from apprehended chaos and confusion. What Government are primarily concerned with is the fair treatment of cane-growers by sugar factories and for this legislation had already been undertaken not by the Provincial Government, but by the Government of India. What protection could the Provincial Government give to the cane-grower when the industry itself was sliding down the slippery slope of cut-throat competition. The interests of cane-growers are inextricably bound up with the larger interests of the Industry as a whole. What good would it do to look to the one and ignore the other. If the Provincial Government are compelled to undertake legislation which may



appear novel, drastic or even revolutionary, it is because they are driven to it by circumstances beyond their control. After all this has been the experience of other countries which have tried to build up their industries within a protective tariff wall. Once we interfere with inexorable economic laws we cannot say that we shall go thus far and no further. We have to see it through or give up all interference and let economic laws work out our salvation or ruin. I would also like to make it clear that the Congress Government are not at all anxious to interfere with the industry if it can possibly be helped. Although the Act gives us wide powers we do not propose to use them if the central sales organisation of the industry, namely, the Syndicate, can set its house in order.

*Principles underlying the Bill.*

Before I take up the provisions of the Bill I must explain briefly the principles underlying it. As will be seen from its preamble the object of the Bill is to provide for the licensing of factories and for regulating the supply of sugarcane intended for use in such factories and the price at which the sugarcane may be purchased and for such matters as may be incidental thereto. In other words we are providing for (a) the licensing of sugar factories in order to maintain healthy competition and to control the price of sugar, (b) regulation of the supply of sugarcane to factories the object of which is to eliminate wastage in cane supplies to factories and to promote the improvement of cane cultivation, and (c) the fixation of a minimum price of sugarcane which is already provided for under the existing Act and which is intended to secure the very purpose of protection *viz.*, benefit to agriculturists. These in short are the main provisions but there are few other matters subsidiary to the above but none the less important which also require mention, *viz.*, (d) the establishment of a Sugar Control Board and Advisory Committees the object of which is to secure close co-ordination and co-operation of the interests concerned and (e) a tax on sugarcane intended for use in factories, which is necessary if the Provincial Government are to take up seriously the removal of the agricultural handicap of the industry. The Bill is a short one and unnecessary details have been avoided deliberately because it must be recognised that in a measure of this character we must proceed by a system of trial and error rather than on fixed lines rigidly determined beforehand. This of

course means that considerable latitude must be left to the Government but in prescribing the rules to regulate matters of detail it will be necessary for the Provincial Government to consult the Sugar Control Board or the Advisory Committees, as the case may be, on which the industry will be represented. In this connection another point to which I must draw the attention of the House is that the Bill will be a temporary one and will remain in force until the 30th June 1941. We realise that the legislation which we are contemplating is new to India and that its success will depend on the co-operation of all parties connected with the industry *viz.*, Government, sugar factories and cane-growers. It is therefore only proper that we should make our Mill a temporary one for 3 years to give a trial to this experiment. If it is a success it is only right that the Government should come up again before the legislature for placing the measure permanently on the Statute Book.

#### *Provisions of the Bill.*

The detailed provisions of the Bill will be discussed in the Select Committee. I would be prepared to accept all reasonable amendments. I would stipulate however that in criticising the Bill and in suggesting substantial amendments to its provisions, we should agree to subordinate individual interests for the larger interests of the industry as a whole. There must be a spirit of reasonableness leading to a harmony of the interests of growers, of manufacturers and of consumers. Let it not be forgotten that the selfish pursuit of the interests of one particular class brings about its own retribution. If we have something to get we must also have something to give. This is an important lesson which I have learnt from my study of the problems of the industry.

#### *Licensing of factories.*

I will now proceed to deal briefly with the provisions of the Bill and I will take up first the licensing of sugar factories. We propose to provide for two forms of license. The first will be for the construction of new factories and the extension of the plant of existing factories. This is necessary because we cannot hope to control the production of sugar unless we control the future expansion of industry. As is well known our factories have sprung up somewhat haphazardly and very often in such close proximity to each

other as to create difficulties in regard to cane supply. We propose to prescribe the conditions on which and the circumstances in which licenses will be granted for the construction of new factories and for the extension of the plant of the existing factories. No license will be granted without consulting the Sugar Control Board and if it is proposed to refuse a license the Bill makes it obligatory on Government to consult an impartial tribunal before rejecting an application. The second form of license is for crushing cane. No factory will be allowed to commence crushing until it has taken out a license and the license will prescribe the conditions which must be observed by the factory. The most important condition will be that the factory must be a member of a Central organisation of the industry which is recognised by the Provincial Government. The organisation which we have in mind is the Sugar Syndicate which has already been formed and which, I understand, already includes in its membership about 90 per cent. of the sugar factories in the United Provinces and Bihar. The other conditions relate to the sale of sugar and the quantity of cane that must be purchased by the factory during the crushing season. As regards the sale of sugar we hope that the Syndicate will take necessary action but as Government will not have a controlling voice in the Syndicate it is necessary that it should have power to impose other conditions which may be found to be desirable for the protection of other interests, *e.g.*, the consumers. The condition regarding the minimum quantity of cane that must be purchased by the factory during the crushing season is necessary in order to secure normal working without which the growers are likely to suffer. License fees will be prescribed but the amount of the fees will be nominal.

*Purchase of cane.*

I next come to the regulation of the supply of sugarcane to factories. Here I must, even at the risk of making my speech unduly lengthy, deal first with the existing system of cane supply to factories because unless I do so it is impossible to explain the reasons for the proposals which are embodied in the Bill. At present sugar factories buy cane which is either offered for sale without any previous arrangement or brought for sale under an agreement. The former is known as *khuski* cane and the latter as *bonded* cane. In the case of *khuski* cane the growers are in considerable uncertainty

as to whether their cane will be taken and this is responsible for abuses on the part of the factory staff. In the case of *banded* cane the supply is regulated by means of *purjis* but in most cases the agreements are one-sided (*i.e.*, they bind the grower and not the factory) and the distribution of *purjis* for *banded* cane has given scope for corruption on the part of the subordinate staff of the factory. Even now cane is being purchased from unnecessary long distances which involve heavy transport cost and loss on account of dryage. In order to have an assured supply of cane, factories are encouraging an indiscriminate extension of cane cultivation without any assurance that the cane will be purchased. In a year of under-production factories compete with each other and the grower is assured fair treatment. But when there is over-production the grower is completely at the mercy of the factory because with the low price of *gur* there is really no other alternative use for his cane. Comparatively few factories have well defined areas from which they draw their supplies with the result that they poach on areas which other factories may be trying to develop. This unhealthy competition may be to the temporary benefit of the grower, but he suffers in the long run. He has not the means for undertaking the improvement of his cultivation and factories are restricting the amount of their advances to growers because of the uncertainty in regard to the supply of cane. In brief, there is chaos in cane supply which promotes inefficiency and encourages corruption. Such a system does call for immediate overhaul. How do we propose to do this?

The ideal system is that of zoning which will give to each factory a well defined zone from which alone it can obtain its cane requirements. This, however, presupposes that the growers within a zone must sell their cane to the factory to which the zone is allotted. In other words, the factory and its growers are bound to each other by definite obligations. By this means the factory will be given an incentive to take necessary measures for the improvement of cane cultivation within its prescribed zone, whereas the growers will have an assurance that their cane will be purchased by the factory. This ideal is, however, difficult of realisation and we must be prepared to face the difficulties. In some quarters zoning has not been looked upon with favour owing to the apprehension that it will place the grower completely at the mercy of a single factory and I for one would not be prepared to consider any system of zoning which does

not provide necessary safeguards for the grower. The safeguards which I consider to be essential are—

- (a) the exclusion of middlemen from the zone, and
- (b) a definite assurance that in the zone the cane of each grower of cane-growers' co-operative society up to a prescribed limit based on the cultivable area of the holding will be taken by the factory and that any surplus cane in the zone will be given preference over cane purchased from outside, provided, of course, the factory has not entered into an agreement to purchase such cane.

If these safeguards can be provided and Government is in a position to enforce the payment of a fair minimum price, the objections to zoning largely disappear. I do not say that in the case of every factory it will be immediately possible to prescribe a zone, but I believe that whenever this is practicable it would be in the best interests of the industry by which I mean both the growers and the factory.

Before I deal with the proposals relating to the purchase of cane for factories which are embodied in the Bill, it is important to consider what are the essentials on which a good system of cane supplies to factories can be built up. The first and most important condition is that the production of sugarcane for supply to factories should be controlled. If there is a large extension of cane cultivation leading to over-production of sugarcane, Government will be powerless to secure any benefit to the cane-grower, whose position in Bihar will become no better than that of the jute cultivator in Bengal or the cotton grower in Gujrat. In the case of jute and cotton, restrictions have been imposed on cultivation, but similar restrictions can not be applied in the case of sugarcane which is grown not only for the manufacture of sugar, but also for private consumption and for making *gur*. How then can we restrict cane cultivation so that the supply may correspond to the needs of sugar factories. The only way in which this can be done is to define the economic areas where cane can profitably be grown for supply to sugar factories and to give growers in these areas a definite indication of the requirements of the factories so that production in excess

of these requirements will be at their own risk. In other areas Government will not impose any restriction on cane cultivation, but will make it known to the growers that these areas are not areas for supply to sugar factories but, if I may use the term, *gur* areas, *i.e.*, areas in which the growers must be prepared to make *gur* from their sugarcane. This proposal may be attacked on the ground that the cane-growers of particular localities will be favoured at the expense of cane-growers in other areas. I realise the force of this criticism, but I must make it clear that no industry can be built up as a charitable organisation and it is impossible to expect that the sugar industry in Bihar will benefit cane-growers of all parts of the province. Already there is a concentration of the industry in North Bihar and to a less extent in the Patna Division. The cultivators of other parts of the province do not benefit from the industry. Why then should there be any objection to our trying to limit cane cultivation for sugar factories to areas of economic supply. After all in industry we can not ignore the factor of efficiency and it would be a suicidal policy for sugar factories to continue to purchase their cane from un-economic areas (*i.e.*, areas from which the cost of transport to the factory is unduly high) when there is already an adequate supply available from economic areas. In other words, our object should be to develop cane cultivation in areas near the factory rather than in distant areas.

Next in importance to the control of over-production is what I will call the principle of certainty of purchase. At present, the grower is in some uncertainty as to whether his cane will be taken by the factory. This applies mainly to *khuski* cane (*i.e.*, cane delivered without any previous arrangement), but even in the case of bonded cane the agreements being one-sided the grower has no remedy if the factory decides not to take his cane. It is this uncertainty that is responsible for many of the abuses that are to be found in the purchase of cane for factories. The third condition of a good supply, in my opinion, is that as far as possible middlemen should be excluded and even where they are allowed to function they should be kept under strict control by a system of licensing. It may be said that middlemen are not all dishonest and some may have rendered valuable services both to sugar factories and to cane-growers in the organisation of cane supplies. The fact, however, remains that a middleman must work for some profit to himself and

where the factory deals direct with its growers the saving on middlemen's profits will enable the factory to pay more to the grower. Besides the factory can not really be interested in the improvement of cane cultivation so long as it leaves cane supply in the hands of middlemen. If, however, the factory is to deal direct with its growers, it is important that the growers should be in areas as near the factory as possible. Here again, we see the importance of zoning. The fourth and last condition which I consider to be essential for a good system of cane supplies to factories is that there should be no obstacle to the co-operative organisation of cane-growers. The factory is an organised body, whereas the Cane-growers are scattered units. Unless the latter organise themselves, they will always be in the weaker position. Government regulations can penalise abuses and prescribe a minimum price, but they can not guarantee a "square deal" to the growers. We have therefore to encourage the organisation of cane-growers, and of all forms of organisation, a co-operative organisation would undoubtedly be the most suitable.

For convenience I may now sum up the principles which I consider to be essential for a fair and efficient system of cane supply to sugar factories. They are—

- (a) the principle of regulated production, *i.e.*, the avoidance of over-production of cane intended for use in sugar factories.
- (b) the principle of propinquity, *i.e.*, concentration as far as practicable of supply from areas near the factory,
- (c) the principle of certainty of purchase which will relieve as far as possible the cane-grower from the anxiety regarding the disposal of his cane,
- (d) the principle of direct purchase, *i.e.*, the exclusion as far as practicable of middlemen and their control under a system of licensing where they are found to be necessary, and
- (e) the principle of co-operative organisation among cane-growers.

These are the fundamental principles which should be prominently borne in mind in considering the provisions of our Bill relating to the purchase of cane for sugar factories.

*Provisions relating to the purchase of cane.*

What then are our proposals? In the first place we aim at cutting out as far as possible the purchase of *khushi* cane to which I have already referred and substituting the purchase of bonded cane. How can this result be secured by legislation? In the first place, we must insist on some reliable estimate from each factory of its cane requirements during the following crushing season. I realise that no factory can commit itself to a definite figure because the crushing season depends on factors beyond human control, *e.g.*, climatic conditions and the extent of breakdown of machinery which is sometimes unavoidable. Nevertheless, a factory should be able to form some reliable estimate of its cane requirements on the basis of the crushing capacity of its plant, the average amount of cane crushed during the three or four preceding crushing seasons and the average duration of the crushing season in Bihar. Clause 14 of the Bill provides for the preparation of such an estimate after due verification by the Cane Commissioner who will be the officer entrusted with the duty of administering the Act. The estimate prepared by the factory may be modified by the Cane Commissioner, but provision is made for an appeal against his decision. It is hoped, therefore, that our Bill will enable the Provincial Government to secure a reliable estimate of the cane requirements of each factory before the planting season commences.

Having determined the estimated cane requirements of each factory we propose to insist that the factory shall enter into agreements with cane-growers for the purchase of the prescribed proportion of its estimated cane requirements. This is known as "compulsory bonding". The agreements will, however, be binding on both sides instead of being unilateral as they are at present and the terms and conditions will be prescribed by the Provincial Government so as to secure, as far as possible, fair dealing on both sides.

"Compulsory bonding" by itself will not suffice. If factories are to be permitted to enter into agreements with cane-growers in different areas it will be difficult for Government to see that agreements have been entered into for the prescribed proportion of its cane requirements. If proper control is to be exercised it is necessary that the agreements should be with cane-growers in defined



areas. Our proposal is that the Cane Commissioner after consulting the advisory committees concerned will allot definite areas for bonding. These areas are known as "assigned areas" for which provision is made in clause 19. This in brief is the scheme for "compulsory bonding" in assigned areas. So far our proposals should present no administrative or other difficulty. But is "compulsory bonding" in assigned areas adequate? It will give growers some assurance regarding the purchase of their cane by factories, but there is one serious disadvantage. As the factory is not bound to enter into an agreement with any particular grower or cane-growers' co-operative society, there is a loophole for the subordinate cane staff to demand illegal gratification before any agreement is executed on behalf of the factory. This disadvantage can be overcome gradually by limiting the size of the assigned areas, but this is a slow process which can only be done gradually on the basis of past experience. "Compulsory bonding" in assigned areas as contemplated in clause 19 of the Bill is certainly an improvement over the existing system, but it does not approach our ideal, nor does it fulfil all the conditions of a satisfactory system of cane supply which I have previously enumerated. Should we remain content or should we proceed further towards our ideal? In the case of some factories it may not at present be possible to go any further, but others may find it possible to adopt our ideal and in any case our Bill should be flexible enough to admit of steady progress towards the ideal. In this case we would not be justified in acting on the maxim that "the speed of the fleet should be determined by the speed of the slowest ship."

How then do we propose to work up to our ideal? For this I would invite a reference to clauses 15, 16, 17 and 18 of the Bill which deal with reserved areas. By reserved areas we contemplate a system of zoning the working of which I will now explain. Where a reserved area (*i.e.*, a zone) is allotted, the factory will be required to maintain a register in the prescribed form of all cane-growers and Cane-growers' Co-operative Societies in this area. This register will contain the following particulars:—

- (a) the name and father's name of the person growing sugarcane, and the name of every Cane-growers' Co-operative Society, and the village and thana in which such

person resides or in which the head of such co-operative society is situate;

- (b) the area of the lands capable of producing sugarcane which are in the occupation of each such person or of the members of each such society;
- (c) the amount of any advance given to any such person on co-operative society and the interest payable on such advance;
- (d) the total amount of seed cane supplied to any such person or co-operative society showing separately early, midseason and late varieties of cane;
- (e) the minimum amounts of sugarcane which the factory will purchase from each such person or co-operative society. Such minimum amount shall be calculated at a rate of not less than 250 maunds per acre of one-third of the area shown under (b) above or at such rate as the Government may, by notification, direct in any particular year.

When the Register has been prepared any cane-grower or Cane-growers' Co-operative Society can obtain on the payment of the prescribed fee, which will be a nominal amount, the entries in the register relating to such cane-grower or Cane-growers' Co-operative Society. If it is found that the name has been omitted or that the entries relating to areas, etc., have been incorrectly recorded in the register the cane-grower or society can approach the Sugarcane Inspector or a District Magistrate who can order the necessary rectification of the register. An application for the rectification of the register will have to be made on the payment of a nominal fee and the cost of the proceedings will be recovered from the factory if it is found that the register was incorrectly maintained or from the grower if it is found that the complaint was frivolous. When the register is prepared the factory will be required to enter into agreements in the prescribed form and subject to the prescribed terms and conditions with each cane-grower or Cane-growers' Co-operative Society whose name is entered in the register for the purchase of the minimum quantity of cane entered against the name of such cane-grower or Co-operative Society in the register.

It will be seen that a cane-grower or Cane-growers' Co-operative Society within the zone is given a definite right to sell his cane at a prescribed rate and on the prescribed terms and conditions to the factory. The minimum quantity which a cane-grower or Cane-growers' Co-operative Society has a right to sell is also determined. This minimum quantity is based on the average outturn and on the area of lands capable of producing sugarcane which are in the occupation of each cane-grower or of the members of each Cane-growers' Co-operative Society. It will be seen however that we guarantee the purchase of the cane of only one-third of this area. The reason for this is that we wish to encourage a proper system of rotation without which improvement of cane cultivation is not possible. A cane-grower in the zone will thus know that he can grow sugarcane on one-third of the lands in his possession within the zone which are capable of producing sugarcane with every hope of selling his cane to the factory. He can, if he so chooses, grow sugarcane on a smaller area but if he grows cane on a larger area it will be at his own risk.

As the minimum quantity to be purchased from each grower within the zone is based on average outturn it is possible that in a good year there may be a heavy surplus of sugarcane even though the area under cultivation does not exceed the prescribed limit of one-third of the lands capable of growing sugarcane. The grower cannot within the zone sell his sugarcane to any factory other than the factory for which the zone has been reserved. If therefore, he has a surplus on account of favourable crop conditions it is desirable that this surplus should as far as possible be taken by the factory. It is therefore provided in sub-clause (5) of clause 18 that the Provincial Government may, during a crushing season, prohibit the purchase of cane outside the reserved area until the factory is prepared to take all cane within the reserved area. This prohibition however will not affect agreements which may have been entered into by the factory with persons outside the reserved area for the supply of cane.

I have thought it necessary to explain in detail our proposals in regard to reserved areas because this is necessary for their proper understanding. Hon'ble Members will find that these details are not fully provided in the Bill for the reason that we consider that

the proper place for them would be the rules under the Act. Matters of detail should be capable of modification in the light of experience.

I have explained our proposals for compulsory bonding and for zoning. It now remains for me to explain how we propose to work these two proposals side by side. The Bill provides for the purchase of cane—

- (a) In an area reserved for a factory (*i.e.*, zone).
- (b) In an area assigned to a factory, and
- (c) In an area neither reserved nor assigned.

A common feature of reserved areas and assigned areas is compulsory bonding, *i.e.*, the factory is required to enter into agreements for the purchase of a specified quantity of cane, but the obligations of the factory in a reserved area are very much greater. In an area which is neither reserved nor assigned bonding is not compulsory. The supply of cane from such an area represents the variable balance of the cane requirements of the factory\* which will depend on uncertain factors such as variation in the crushing season owing to the climatic conditions, etc. We definitely aim at the concentration of cane-supply as far as possible within reserved areas or assigned areas and the gradual conversion of assigned areas into reserved areas. The Cane Commissioner will be asked to study the circumstances of each factory and to decide whether it should have a reserved area or an assigned area or both. The point that we wish to insist on is that each factory must have a prescribed proportion—say 60 per cent. in the beginning which may, however, be raised to 70 or 75 per cent.) of bonded supply, *i.e.*, a supply of cane under agreement. This bonded supply may be obtained either wholly from a reserved area, if this is possible, or from assigned areas or partly from reserved areas and partly from assigned areas. It will be seen that we allow a considerable amount of latitude in this matter, the necessity for which is due to the fact that owing to the absence of an up-to-date survey in Bihar it is almost impossible to obtain reliable estimates of cane areas. Factories may find it in their own interest to have a survey made of reserved areas for the proper discharge of the obligations which are imposed on them by this Bill. Clause 16 has been provided to enable such survey to be undertaken if the factory so desires.

In the printed statement of objects and reasons I have explained somewhat fully the important differences between a reserved area and an assigned area and it is unnecessary for me to recapitulate what is stated therein. But there are two points which I should emphasise. The first is that in a reserved area we have definitely provided for the exclusion of middlemen. The factory must purchase direct from the grower or from a cane-growers' society through its salaried employees. In an assigned area and in an area which is neither reserved nor assigned the factory may purchase through middlemen but clause 23 of the Bill provides for a system of licensing which will enable Provincial Governments to control all middlemen. This clause is wider in its scope than the existing Act because it has been found that middlemen sometimes operate under the guise of negotiators without actually purchasing the cane on behalf of the factory. The second point which I would like to mention is that we have tried as far as possible to include provisions in the Bill which, we hope, will assist the co-operative organisation of growers. In a reserved area a cane-growers co-operative society is given the same right of sale as an ordinary cane-grower. In addition we have provided that the factory must not knowingly enter into agreements to purchase cane from a person who is a member of a cane-growers' co-operative society. In other words a factory must deal through the society for the purchase of cane cultivated by any member of the society.

*Minimum price.*

I now pass on to the question of the minimum price and my comments in this connection should have been brief but for the fact that this is a matter which has been agitating many minds and I feel it necessary to remove certain misconceptions. Chapter V of the Bill which deals with the minimum price contains only two comparatively short clauses. Clause 21 gives a wide latitude to the Provincial Government to vary the minimum price and to prescribe rules to determine how the minimum price shall be calculated. Clause 22 provides for the payment of an additional price in addition to the minimum price for special varieties of cane. This is necessary because certain special varieties are low yielders, *i.e.*, the outturn per acre is much below that of ordinary varieties. If therefore a cultivator is required to grow a special variety for the benefit

of the factory it is only fair that he should be paid an additional price. The existing Act also contains provisions for fixing a minimum price but its provisions in this respect have been found to be somewhat rigid.

While the provisions relating to the minimum price are simple I realise that there may be misgivings as to the way in which they can be applied. On the one hand we have the fear expressed by sugar factories that the minimum price may be raised so high as to make it impossible for the factories to crush cane. On the other hand there is the complaint of the growers that the minimum price is not high enough to meet the legitimate cost of cultivation. I can understand and appreciate both points of view but let me emphasise that the minimum price cannot be fixed at an arbitrary figure and that it must bear some relation to the price of sugar. We have, by the system of licensing of factories, taken power to control sugar prices. But it must be realised that we cannot raise the price of sugar to any level merely because we wish to give the grower a high minimum price for his cane. The sugar industry is not a monopoly of the province and although at present 85 per cent. of the sugar produced is manufactured in the United Provinces and Bihar, these two provinces cannot reasonably dictate the price of sugar as they have to depend on its sale in other provinces. If we fix the price at too high a level, not only will we be accused of sacrificing the interests of the consumers throughout India but we shall also be encouraging the gradual transfer of our industry to other provinces and to Indian States. Sugar factories are working in Madras, Bombay, Bengal and the Punjab, and there is every possibility of more factories being started in these provinces if the Governments of the United Provinces and Bihar adopt the policy of raising indiscriminately the price of sugar. Other provinces may not have the same facilities for cane cultivation but for their own consumption of sugar which is considerable they have a freight advantage over Bihar and the United Provinces. Besides it is by no means certain that they will not be able to overcome the difficulties in regard to cane cultivation. Already in Madras and in Bombay the outturn per acre and also the sucrose content are very much higher than in Bihar and the United Provinces and this partly compensates for the higher price of cane. A policy of indiscriminate price-raising would be suicidal and would kill the proverbial goose which lays

the golden eggs for our cultivators. I wish, therefore, to make it clear that while we are determined to do all we can to secure as fair a return to the cultivator, there is a limit beyond which we cannot go. Besides, our ideal must be the gradual reduction of the cost of cultivation of cane which means the progressive lowering of the minimum price. Only by this means can we hope to compete with other sugar producing countries on equal terms.

*Tax on sugarcane.*—I come now to the provision regarding the tax on sugarcane which is contained in clause 29 of the Bill. I must confess that it is with considerable reluctance that I propose the taxation of the industry. I have already objected to the increase by the Government of India of the excise duty and *prima facie* it may appear inconsistent on my part to impose a further burden on the industry in the form of a tax on sugarcane. What then is my justification? I have throughout emphasised the need of an intensive campaign for the improvement of cane cultivation which will enable our cultivators to grow cane at a very much lower cost than at present by increasing the yield per acre and the sucrose content. It is obvious that this gigantic task can not be undertaken by the Provincial Government with its existing resources. The allotments which have been made to us by the Government of India from the sugar excise fund are also hopelessly inadequate. Unless, therefore, we can find some means of raising additional fund, our cultivators will continue to grow cane according to existing inefficient methods and the industry will not be able to make any further progress. We have, therefore, been compelled to include a provision providing for fresh taxation. If our proposal for fresh taxation is not happy, let me assure the House that it is conceived in the best interests of the industry. The tax will raise the cost of cane to the factory, but this cost will eventually be to the benefit of the industry when improved methods of cultivation are adopted by cane-growers. This fact will, I hope, counterbalance the objection to taxation. I may also mention in this connection that in this matter, as in all other proposals in this Bill, the Government of the United Provinces and the Government of Bihar propose to act on similar lines so as to avoid any undue advantage to factories in one province over factories in the other. Further, the rate suggested in the Bill is the maximum and it is not our intention to impose this maximum for the present. While no one is more conscious than I am that this

taxation will be an extra burden on the industry which it can ill bear at present, we are compelled to have recourse to it for the benefit of the industry in the future. No one will be more pleased than I, if any further taxation on the industry can be avoided at present. But this can only be done if the Government of India agree to make a very substantial allocation from the existing excise duty on sugar for achieving the object we have all in view, namely, the improvement of cane cultivation. I hope and trust that the Hon'ble the Finance Member of the Government of India will give his serious consideration to this suggestion of mine. If we can secure from the Government of India the necessary funds from the sugar excise, it will not be necessary for the present to impose any additional provincial taxation. I am unable to say what we shall do, but I would assure the industry that the Governments of the United Provinces and Bihar will have due regard to its interests because it is obviously their duty to see that an important industry which has been built up in these two provinces is not dislocated or ruined.

*Authorities for administration.*

Finally, I will explain how we propose to administer this Bill when it receives the approval of the Legislature. It is our intention, and this is reflected in the provisions of the Bill to take the industry into our confidence and to consult the representatives of the interests concerned before deciding on any action likely to affect them. With this object in view we propose to set up a Sugar Control Board and advisory committees. All these bodies will include representatives of factories and cane-growers and Government nominees, official as well as non-official. The Sugar Control Board will deal with the major problems of the industry such as the licensing of factories, the determination of the condition of the licence and the fixation of the minimum price of cane. The Board will be constituted on similar lines in the United Provinces and in Bihar in order that there may be the fullest co-ordination and uniformity in dealing with the problems of the industry in these two provinces. The advisory committees will be consulted on local problems, such as the preparation of the estimates of cane requirements of factories, the declaration of reserved and assigned areas, the licensing of purchasing agents, etc. The responsibility for administration will rest with the Cane Commissioner. We have found it necessary to create



this post in order to secure uniformity and consistency of policy all controlled areas. The sugarcane inspectors appointed under the Act will be directly under him. Rules will have to be prescribed dealing with the functions of these officers, but it is not necessary for me to enter into these details.

The Bill if it is passed into law will depend for its success on the willing co-operation of the industry and so far as Government is concerned no pains will be spared to secure this co-operation. We have, as I have already explained, embarked on a great experiment and I hope that this measure will receive the whole-hearted support of all sections of this House and of all interests connected with the sugar industry of the province. It is a measure which is novel to India, particularly as regards the extent to which it provides for State control of industry, but the provisions of the Bill are necessary in the interests of the industry itself. We are therefore, proceeding with this measure with the determination to see it through. Failure will mean disaster, but the risk of failure should not deter us because inaction will produce the same result. If we fail, we fail; but let us screw our courage to the sticking place and we shall not fail.

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## **APPENDIX IX.**

**Appendix IX mentioned on page 10 of the Preliminary  
Report is printed as Appendix VII.**

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## APPENDIX X.

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*Letter from Certain Members re: The Bihar Sugar  
Factories Control Bill.*

TO THE MEMBERS,

THE INDIAN SUGAR MILLS ASSOCIATION.

DEAR SIR,

*The Bihar Sugar Factories Control Bill.*

You are aware that the above Bill, when passed, will control the minimum price of cane, the maximum price of sugar, the minimum quantity of cane to be crushed, and the person or persons through whom alone sugar may be sold. Further there will be a cess on either sugar produced or cane crushed which will be payable in addition to the excise levied by the Government of India.

Similar legislation will, it is understood, be introduced shortly in the United Provinces, and we consider that it is very unfortunate that such important Measures should have been rushed into without time for adequate discussion and consideration, particularly as the Tariff Board has now submitted its Report to the Government of India. In our opinion it would have been far better for all concerned if the proposed Provincial Legislation had been postponed until the Report was published and its recommendations known.

We believe it is not fully realised what the result of the proposed legislation is likely to be, and would therefore ask you to consider how little control of your Factory will be left to you. Supposing that, after paying the minimum cane price, the Government of India Excise, and the Provincial Cess, and your manufacturing expenses, the cost of your sugar is higher than the maximum selling price. In such circumstances, you will still have to crush the minimum quantity of cane prescribed by Government. In other words you will have to continue to run your Factory at a loss. When your finance is exhausted, and you are forced to close down, your Factory will be ruined and your cane-growers will also be ruined because there will

be no Factory to buy their cane. This is one danger which may arise.

Another danger is that the marketing arrangements may be impracticable. You are aware that even in the case of 1936/37 sugar the Indian Sugar Syndicate has encountered many difficulties. These were considered to be mainly due to the fact that the membership of the Syndicate did not include all Factories. Consequently those Factories who were Members of the Syndicate felt that if Government would compel all Factories to become Members then all their difficulties would be removed. We ourselves do not agree with this view as we will explain later. Moreover, we believe, and many other Factories think as we do, since we understand that although at one time over 90 Factories were Members of the Syndicate, there have lately been many resignations, and that there are now less than 40 Members.

It will be clear to you that the legislation introduced by the Government of Bihar, largely at the request of the Syndicate, and to some extent of the Sugar Mills Association, goes very much further than the Syndicate wished or expected. This is what generally happens in such cases, and is the reason why, until the last few weeks, the Industry has avoided asking for any assistance or interference from Government except when absolutely necessary.

In effect the Syndicate has given a "blank cheque" to Government, of which Government has naturally taken full advantage.

Some Factories believe that this does not matter since they are convinced that with compulsory membership the Syndicate must be successful. As stated above there is however a danger that this may not be the case and we will explain why.

The policy of the Syndicate is to keep up the price of sugar by allowing only so much sugar to be sold each month. Therefore if an equal proportion of each Factory's sugar is sold each month, the stock at each Factory at the end of April will then be approximately 65% of its total production for the season. There are a large number of Factories that have not got the storage accommodation for this quantity, that have not got the financial resources with which to

build additional godowns, whose existing storage arrangements cannot prevent their sugar from substantially deteriorating from moisture, etc., and more than anything else, have not the Banking facilities with which to finance such a large stock. Moreover, some Factories are threatened by floods.

The Syndicate has no resources with which to finance the weaker Factories, it has no godown accommodation of its own, and, worse than that, it cannot even state beforehand where stocks of a particular Factory may be despatched to be stocked until such time as it can be sold. Moreover, if forward sales are not made there is no inducement left to merchants to stock quantities of sugar at big consuming centres which hitherto has been one of the principle ways in which Factories have been able to reduce their stocks when necessary.

It appears to us that the only way in which the weaker Factories can be helped is to be given preferential treatment, such as by allowing them a larger quota, and, if necessary, by reducing their prices. You will, however, appreciate that this would be very unfair to those Factories who have better storage and financial resources and who, instead of benefitting therefrom, would find these factors being used against them in order to help the weaker Factories. It is also not clear, if the Government orders a minimum quantity of cane to be crushed and if, as a result, more sugar is produced than the country can consume, how the surplus is to be disposed of.

The third danger is that owing to geographical reasons the rates of sugar of the same quality vary by as much as 12 annas per maund between one Factory and another, even in Bihar and the United Provinces. If Factories in other Provinces are taken into account the difference is much larger. Therefore, while a Factory favourably situated might make a reasonable profit at the maximum sugar price fixed by Government there would be other Factories less favourably situated who could only work at a loss.

The last danger is that by fixing a high minimum price of cane and a Provincial cess, in addition to the Government of India Excise, the price of sugar may be increased so much as to reduce the consumption of sugar. This is perhaps the most serious danger of

all, since, if all the sugar which can be made is to be consumed then the price must be kept as low as possible so as to encourage the increase in consumption.

Moreover, there is a special danger to Factories in Bihar and the United Provinces. Elsewhere there are many places, as for instance, in the Punjab, Orissa, and Bengal, or in Indian States where cane can easily be obtained at -/4/- per maund.

With cheap cane and without any Provincial cess in these areas it is clear that the Factories in Bihar and the United Provinces would be at a very serious disadvantage and there would be every inducement to the Industry to expand outside these two Provinces.

We believe these dangers are not fully realised by either the Provincial Governments or the Industry. Certain Factories feel therefore that the dangers should be pointed out and have addressed a joint letter to the Select Committee appointed to report to the Legislative Assembly of Bihar on the Bill. A copy of this letter is enclosed and copies of it have also been sent to:—

(a) The Hon'ble the Prime Minister, Bihar.

The Hon'ble the Minister-in-charge, Education & Development, Bihar.

The Secretary, Education & Development Dept. Bihar.

The Secretary, The Legislative Assembly, Bihar.

The Secretary, The Legislative Council, Bihar.

All Members of the Legislative Assembly Bihar.

All Members of the Legislative Council, Bihar.

(b) The Hon'ble the Prime Minister, United Provinces.

The Hon'ble the Minister-in-charge, Education & Development, U. P.

The Secretary, Education & Development, United Provinces.

The Secretary, The Legislative Assembly, United Provinces.

The Secretary, The Legislative Council, United Provinces.

All Members of the Legislative Assembly, United Provinces.

All Members of the Legislative Council, United Provinces.

(c) All Members of the Indian Sugar Mills Association.

We would ask you to read the enclosed letter with great care, and, if you agree with the views expressed therein, please sign it below the printed signatures on the letter and send it to the Secretary to the Government, Education and Development Dept., of either Bihar or the United Provinces, according as to where your Factory is situated.

It is evident that Government intend to control the Industry from the preparation and planting of the seed to the distribution of sugar to the consumer. In other words it virtually means nationalisation of the Industry but without Government sharing the possible loss.

In view of this we hope you will sign and forward the enclosed letter and that you will also consider carefully what concerted measures may be taken to meet the serious situation with which the Industry is faced. We would ask that any suggestions you may be able to make should be forwarded to the Secretary of the Indian Sugar Mills Association as early as possible so that it may receive the consideration of the Committee.

*Calcutta, 8th December, 1937.*

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*To The MEMBERS,*

THE SELECT COMMITTEE ON THE BIHAR SUGAR FACTORIES  
CONTROL BILL, PATNA.

SIR,

*The Bihar Sugar Factories Control Bill.*

We have the honour to address you in connection with the above Bill.

We have grave fears that if the Draft Bill in our possession is passed in its present form its objects will not be achieved. Should this prove to be the case, you will appreciate that the growers as well as the Industry will suffer.

It seems to us clear that if prices are raised by artificial means in two Provinces only, whether by control of production or otherwise, the Factories outside those Provinces must necessarily, without sacrifice or effort on their part, reap the greatest benefit. If the Industry be encouraged in this way to expand in other Provinces and in the Indian States, it can only be at the expense of the Factories in the United Provinces and Bihar. These two Provinces at present supply the bulk of the sugar consumed throughout the country and unless they can continue to do so hundreds of thousands of cultivators will be the losers, as was the case in the decline of the Indigo Industry.

Moreover we understand that at the present time, although similar legislation is contemplated by the Government of the United Provinces no Bill has actually been placed before the Legislature. While we do not doubt that this fact has not escaped the attention of your Committee we feel it is not out of place to point out that if for any reason such legislation should be delayed, modified, or ultimately rejected by the U. P. Government, what we have written above would apply with double force.

Without knowing fully by what methods it is proposed to raise and maintain the price of sugar at artificial levels, it is of course impossible for us to express an opinion as to how far efforts in this direction will be successful. We would, however, point out that if an artificial attempt to raise prices should for any reason fail, the



invariable experience of Industry has been that a far more serious ultimate crisis will develop than the one it was originally sought to avoid. If, for instance, the market is manipulated by a system of gradual release of the commodity, and if, as a result, stocks accumulate, the effect of the stocks when released, as eventually they must be, is far more harmful than if the ordinary laws of supply and demand had been allowed to operate. It has, moreover, to be remembered that any system of gradual release of sugar will place a heavy strain on Factories' financial and storage resources which might necessitate the closing of some of them before the end of the season. While we do not wish to stress this obvious danger unduly since we are confident that due provision will be made against it we would emphasise the necessity of recognising that any serious set back to the Sugar Industry such as might result from any failure to maintain the artificial price level, could not but have most serious repercussions on the cultivator.

The aspect we do wish to urge is the possibility, if prices are raised by artificial means, that they may rise to unduly high levels. The future of the Industry as a whole, and particularly that portion which is established in Bihar and the United Provinces depends ultimately on the production and sale of sugar at the lowest possible price. This is essential if the Industry is ever to be able to hold its own with other sugar producing Provinces, and is equally essential if the consumption of sugar is to expand and in turn to increase the area which can profitably be devoted to the cultivation of cane for sugar manufacture.

If Factories are to crush the largest possible amount of cane it is indispensable that the consumption of sugar should be proportionate to the production and this can only be achieved by the encouragement of an attractive price to the consumer. This is further necessary to protect those poorer consumers who have already been induced by the low prices which have recently prevailed to form the habit of using white sugar. A very great hardship would be imposed on these poor consumers if any undue increase in the price of sugar took place.

It will not have escaped your attention that in June last the Marketing Officer to the Imperial Council of Agricultural Research pointed out that no marketing organisation could regulate or

control the production of sugar unless every Factory in India joined. We subscribe to this view to the extent that we believe that if marketing is to be organised at all it should properly be on an All-India basis, and that any such attempt on a Provincial basis will inevitably and eventually recoil to the detriment of the Provinces concerned. We are more particularly of this opinion at the present time when the Industry is awaiting the result of the present Tariff Board Enquiry, and when it is not known what Central Legislation may result therefrom. At the present time moreover the Imperial Council of Agricultural Research is arranging to carry out a sugar marketing survey of the whole country and until the information which this survey will afford is available we consider any scheme of compulsory organised marketing would be premature.

While having therefore the greatest confidence in the Government of Bihar in so far as it is their desire to promote the interests of the Industry and of all those whose livelihood depends on it, we cannot but view with apprehension the legislative measures now under your consideration. In particular, we consider we should be failing in our duty to the Industry, to Government, and to the growers whose interests are bound up with our own, if we allowed it to be understood that such legislation is invited, or even that it will be welcomed, by all sections of the Industry.

Although, as you are no doubt aware, a Meeting of the Indian Sugar Mills Association, of which we are members, passed a resolution at Lucknow on the 11th ultimo, inviting the Government of Bihar to introduce legislation compelling all Factories to become members of the Indian Sugar Syndicate Ltd., we would draw your attention to the fact that the Committee of the Association, writing to the Government of Bihar on the 1st ultimo, after very thorough discussion and consideration, specifically asked that legislation should be confined to the licensing of new factories and extension of existing factories, and to suitable measures for regulating the output of sugar to demand. It would therefore appear that the resolution passed on the 11th ultimo by no means represents the unanimous or considered view of the Industry and, in our opinion, was passed only in the hope of obtaining temporary relief from the difficulties in which some Factories may find themselves owing to the low price of sugar which has obtained during the past year, but

certainly without a proper understanding of what its ultimate results may be. This is borne out by the fact that the notice calling the meeting was issued by the Association only on the 1st ultimo and that it made no mention of the proposed resolution. On the contrary a copy of the above mentioned letter from the Committee to the Bihar Government was enclosed with the notice.

In our view this resolution is not in accordance with the best interests either of your Government, the Industry, the cultivator or the consumer. We therefore feel it our duty to bring to your notice the above mentioned aspects which appear to us to require your most careful consideration.

While we have been and still are in warm sympathy with the general views and policy of the Association, we cannot subscribe to the principle that it is the proper function of Government to regulate the activities of Industry except in so far as may be necessary to protect the rights and safeguard the welfare of individuals dependent on it for their livelihood. As you are aware the draft Bill goes considerably further than this.

We would therefore earnestly request you to give your most serious consideration to the representation submitted by the Committee of the Indian Sugar Mills Association to the Government of Bihar on the 1st ultimo, of which we enclose a copy for your information. In considering the draft Bill and formulating their recommendations we trust your Committee will see fit to suggest such modifications as may restrict its scope within the limits suggested by the Committee of the Association after very thorough discussion and consideration. At the same time we would emphasise our anxiety that no legislation should ensue which may eventually prove harmful to either the Sugar Industry, the cultivators, or the consumers in the Province, or which may prove to be incompatible with subsequent legislative measures by the Government of India or other Provincial Governments.

We think it will not be contested that the immediate result of the Bill, as drafted, will be to create, under the auspices of Government, a cartel enjoying an absolute monopoly of a staple food-stuff. You are aware that of recent years one of the gravest problems with which Progressive Popular Governments in other countries have

been confronted, has been the protection of the State and its members from exploitation by such cartels. We feel sure you will agree with us that the first autonomous Government in Bihar should give this aspect their very serious consideration before enacting legislation based on principles which elsewhere would be regarded as retrograde.

In this connection it will not be amiss to refer to the repercussions which have resulted from the failure of the Government of India to consult the Indian Sugar Industry in connection with the recent International Sugar Conference in London, and we would express our earnest hope that the Government of Bihar will not make any error of a like nature.

In view of the limited time which has been given us for consideration of the Bill it has not been possible for us to obtain the signature of all those who subscribe to these views. We believe, however, that within the next few days you will hear from other Members of the Industry asking to be associated with our views.

We have the honour to be,

Sir,

Your most obedient servants,

Belsund Sugar Co., Ltd.

New Savan Sugar and Gur  
Refining Co., Ltd.

Bharat Sugar Mills, Ltd.

New Swadeshi Sugar Mills, Ltd.

Carew and Co., Ltd.

Oudh Sugar Mills, Ltd.

Diamond Sugar Mills, Ltd.

Purnea Sugar Co., Ltd.

Durbhanga Sugar Co., Ltd.

U. P. Sugar Co., Ltd.

New India Sugar Mills, Ltd.

Upper Ganges Sugar Mills, Ltd.



## APPENDIX XI.

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*A Note of the proceedings of the meeting of the Sugar Control Board held on the 8th January, 1938, at Lucknow.*

The first meeting of the Bihar Sugar Control Board constituted under the Bihar Sugar Control Act, 1937 was held on 8th January 1938, at the Secretariat, Lucknow.

The meeting commenced at 11-30 A.M. with the Hon'ble Dr. Syed Mahmud, Minister of Education and Development, Bihar in the Chair and was attended, amongst others, by Messrs. D. P. Khaitan, J. M. Lownie, D. R. Narang and C. K. Jain as nominees of the Indian Sugar Mills Association to represent sugar mill-owners. Mr. F. A. Shervani, who also represented manufacturers, attended as a nominee of the Bihar Government.

At the outset the Chairman stated before the Board that earlier in the morning representatives of about ten sugar factories had had an interview with the ministers of the two Governments of U. P. and Bihar at which they had submitted it as their strong and considered opinion that factories in the U. P. and Bihar should not be required compulsorily to become members of any sales organisation and much less the Indian Sugar Syndicate which organisation, according to their view, suffered from serious defects. The Chairman, therefore, invited the opinion of the Board on the question as to why membership of the Syndicate should be made compulsory by law.

Mr. D. P. Khaitan was invited to elucidate the objections of this section of the Industry against compulsory membership of a sales organisation and against the Syndicate. Mr. Khaitan invited attention to a note which was circulated to the members.

Mr. Lownie, Mr. Narang and Mr. Shervani in reply stated that excepting a small number of about eleven factories, all factories in the U. P. and Bihar were of the view that the only alternative to ruin of the industry was the immediate functioning of a sales organisation membership of which should be legally compulsory. They made it clear that efforts at setting up a mutual and optional organisation had failed in the past and were not expected to succeed in the future. They emphasised the point that a sales organisation was the most urgent need of the industry irrespective of what the cane-prices were. Whereas they considered it exceedingly desirable that all factories in India should be members of such an organisation, they were nevertheless of the opinion that as more than 100 factories existed in the U. P. and Bihar, an organisation with membership compulsory for factories in these two provinces and optional for others would be very useful and therefore highly desirable.

At this stage the Hon'ble Pt. Govind Ballabh Pant, the Premier of the U. P. Government joined the meeting and made an important statement saying that the Government of U. P. and Bihar interested themselves in the affairs of the Sugar Industry at the express and almost unanimous request of the Industry itself—that they had not the slightest desire of interfering in any manner with the internal organisation of the Industry beyond protecting the cane growers by fixing fair and reasonable cane prices and adopting measures to ensure their payment. He made it perfectly clear that the two Governments did in fact go out of their way to help the Sugar Industry with unusual measures and had thus imposed a very heavy responsibility on themselves for the sake of the Industry. He further wanted the fact to be thoroughly appreciated that it was in pursuance of the well-defined joint policy of the Governments of the U. P. and Bihar, adopted by them with full concord of accredited representatives of the Industry as expressed at conferences held from time to time, at Lucknow and Patna that the Bihar Government had adopted the Bihar Sugar Factories Control Act. Continuing the Hon'ble Premier observed that the Governments had been persuaded by the Industry to go too far now to be confronted with the alarm that the course they had adopted was wrong. He felt that it was now the clear duty of the Government to proceed further and give to the Industry this experiment to be tried by it.

Summing up the Premier asked the Board to declare it as its considered opinion that it agreed with the lines on which the Bihar Act had been adopted and recommended that the U. P. Government should proceed on the same lines without delay.

Mr. Lownie at this stage stated that although there were many provisions in the Act with which he and a large section of the Industry did not agree, yet having in consideration the immediate requirements and circumstances of the Industry, he felt that the legislation on the lines of the Bihar Act should immediately be enforced in the two provinces. The question was then put to the vote of the Board which declared itself in favour of the proposition, Mr. Khaitan alone dissenting.

The meeting then rose for luncheon. Reassembling at 3 P.M. the Board was called to refer to consider whether the Indian Sugar Syndicate should be recognised as the sales organisation contemplated under the Bihar Act or an entirely new organisation should be set up. As the establishment of a new organisation would involve enormous delay the view prevailed that the Indian Sugar Syndicate should be recognised as being the Sales Organisation contemplated under section 11 of the Bihar Act.

The next question that came up for consideration before the Board was as to what steps should be taken to ensure a fair consideration of the proposals of such factories in the U. P. and Bihar as have their differences of opinion with regard to the existing organisation, constitution and articles of the Association of the Syndicate. Mr. Khaitan invited the Board's attention to a number of amendments that a section of the Industry, though in a small minority, considered of vital importance and observed in this connection that before these factories were asked to join the Syndicate the article should be amended in accordance with their proposals. Whereas the Board felt that it was very necessary and desirable to avoid delay in the enforcement of the provisions of the Bihar Act regarding licensing for crushing cane it expressed its anxiety to enable all factories in the U. P. and Bihar to have their due voice in the determination of the Syndicate's Articles of Association and election of its Board of Directors.

The following decisions were therefore taken in regard to the above matter.

(1) All factories in Bihar must join the Indian Sugar Syndicate as at present constituted within such time as necessary for enabling them to apply for licenses before the date that may be prescribed in the rules.

(2) However, an Extraordinary General Meeting should be convened to meet as early as possible to which all factories in U. P. and Bihar should be invited to send representatives. Proposals for amendment of Articles of Association invited from all factories in U. P. and Bihar specially non-members, should form the agenda for such a meeting.

(3) After all factories in U. P. and Bihar have become members of the Syndicate, the present Board of Directors should resign and fresh election be held.

The Board then proceeded to consider draft rules under sections 9, 10, and 11 of the Bihar Act. The rules with regard to the constitution, powers, duties and procedure of the Board are made finally by the Governor under No. 34-D as on page marked 1. They were not to be considered by the Board. Regarding Rule under sections 9, 10 and 11 (Page marked 2).

1. Rule 1 under section 9 was approved.
  2. Consideration of rules 2 and 3 under section 9 was postponed.
  3. Rule 1 regarding extension was approved.
  4. Consideration of rules 2 and 3 regarding extension was postponed.
  5. In Rule 1 regarding licenses for crushing cane 28th January was substituted for 1st February.
  6. In rule 2 the words 'among others' were added between 'shall' and 'be'.
- In 2(b) 100 was changed into 120 and 'schedule' was changed into "average".



Rule 3 was approved as it was.

Consideration of Rule 1 regarding license fees was postponed.

Rule 2 was approved.

Consideration of forms on page 4 and 5 was postponed.

In form under section 10(ii) in item No. 3 'scheduled' was changed into 'average'.

In form under section 10(iii) the proviso as in rule 2 regarding licenses for crushing cane was added.

In form under section 10(iv) similar proviso was added in 2(b).

The Board invited the attention of the Government to the necessity of simultaneous enforcement of measures in the U. P. and Bihar. The U. P. Minister assured the Board that every effort would be made at securing this simultaneously.

The Hon'ble Minister to the Government of Bihar stated that a notification will be issued in accordance with section 10 of the Bihar Act to the effect that all factories in Bihar must obtain license for crushing cane not later than the 1st February, 1938.

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*Proceedings of the first meeting of the United Provinces Sugar Control Board, which was held at Lucknow on 13th February, 1938.*

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The first meeting of the United Provinces Sugar Control Board was held at Lucknow on 13th February, 1938. The following attended the meeting:—

- (1) The Hon'ble Dr. Katju.
- (2) Babu Kuldeo Narayan Jha, Pleader, Madhubani, Bihar.
- (3) Lala Har Sahai Gupta, M.L.C. (United Provinces).
- (4) Chaudhri Khushi Ram, M.L.A. (United Provinces).
- (5) Professor Shibban Lal Saksena, M.L.A. (United Provinces).
- (6) Mr. F. A. Sherwani, The Neoli Sugar Factory, Etah.
- (7) Mr. D. R. Narang, The Basti Sugar Mills, Limited, Basti.
- (8) Mr. J. M. Lownie, Begg, Sutherland and Company, Limited, Cawnpore.
- (9) Mr. C. K. Jain, The South Bihar Sugar Mills, Limited, Bihta, Bihar.
- (10) Mr. S. J. Pagey, The Cawnpore-Sugar Merchants' Association, Cawnpore.
- (11) Mr. P. M. Kharegat.

Mr. Pillai, Cane Commissioner, Bihar and Mr. Vishnu Sahay, Cane Commissioner, United Provinces were also present.

2. The Chairman enquired what the actual situation was in respect of the Syndicate. It was stated in reply that the Syndicate

had held its meeting on 29th January at Calcutta; all the factories in Bihar have joined it and all but three in the United Provinces (including two in Rampur). New Directors had been elected. Notices of amendments to be made in the Articles of Association are about to be issued and a meeting of the Syndicate will be held on or about 11th March in Lucknow to consider the same; they had, however, been discussed informally at the last meeting. Basic prices had been fixed for all the factories which ranged from Rs. 6-15 to Rs. 8-1. A list of the basic prices fixed was handed in. The Syndicate would sell the sugar at one anna higher than the basic prices shown.

3. It appeared that there had been an increase in the basic price of about Re. 1-3 as compared with the basic price fixed in August, 1937. The Chairman pointed out in this connexion that at the meeting of the Bihar Sugar Control Board it had been stated that the basic price would be between Rs. 7-4 and Rs. 7-8 and enquired the reasons for raising it now to Rs. 8 and having such a wide margin between the prices at the different factories.

4. On behalf of the Syndicate it was pointed out that the basic price for Gorakhpur was between Rs. 7-2 and Rs. 7-6; the reference at the meeting of the Bihar Sugar Control Board was to this pivotal basic price for Gorakhpur so that the price actually fixed was if any thing slightly lower than had been stated then. The basic price for factories at other places had to be adjusted to this pivotal price after taking into consideration their geographical position, nearness to the markets, etc.; basic prices in Meerut were bound to be about 8 to 10 annas higher than the pivotal price. It was also made clear that the basic prices now fixed were only about six to eight annas higher than the market prices prevailing early in January 1938.

5. It was further argued that a comparison with basic prices as fixed in August, 1937 was no real criterion, because the prices then fixed were unduly low, having been based on a desire to clear the stocks then existing as quickly as possible; moreover those prices were for sugar made from cane for which a much lower price had been paid than is being paid now; the prices now fixed were lower than those prevailing in December, 1936 although the cane price is now higher than it was then. It was urged that price fixation was a very difficult matter and the Syndicate had arrived at figures

which were fair to all; and Government might if it desired have them examined by their own officers. Nothing better was feasible.

6. It was also stated that certain Government representatives had been present at the meeting of the Syndicate in Calcutta and they had presumably accepted the basic prices fixed. It was pointed out however that so far as the United Provinces representative was concerned, he had been sent only to explain what was happening in connexion with the United Provinces Bill, and that in any case the Government representatives there were merely intended to watch the proceedings on behalf of Government and cannot be presumed to have agreed to anything.

7. The Chairman pointed out that Government had undertaken a great responsibility; it had to protect all interests and fears had been expressed in many quarters that the Syndicate, which represented only manufacturers, might try to push up prices too high. The Syndicate should therefore take special care to regulate affairs in such a way that Government might not be forced to intervene in the interests of consumers. He next announced that the Governments of the United Provinces and Bihar did not propose to levy any tax or cess this year on the sale of cane and enquired to what extent the basic prices fixed would be reduced in view of this fact. It was stated in reply that the basic prices had been fixed without allowing for any tax and hence there was no question of their reduction: had a tax been imposed the basic prices would have had to be increased by the amount of the tax.

8. It was decided that the Syndicate should be asked to send, both to the United Provinces and to Bihar, a copy of the proceedings of their last meeting together with a statement showing the basic prices fixed and explaining exactly how these figures have been arrived at, showing how much has been put down for cost of cane, how much for depreciation and so on, every item being explained. In this connexion it was urged on behalf of factories that the price of cane for the purpose of this calculation should be taken to be at least half an anna more than the minimum price fixed, to allow for transport, commission and other charges.

9. It was further decided that a request should be made to the Syndicate to send copies of the proceedings of its general meetings and other circulars or information issued by it to the members

of the Board. The question of the nomination of persons as Directors of the Syndicate should also be taken up now. Accredited representatives of the Syndicate might also approach the authorities of the Rampur State and arrive at an understanding with them as regards the relations between the factories in Rampur and the Syndicate; for instance, an observer from Rampur might be asked to attend the meetings of the Syndicate.

10. A desire was expressed that a statement might be prepared and supplied to members showing the prices of sugar since 1930 and the prices fixed for cane; and regular records should be maintained in future showing these prices.

11. It was also suggested that enquiries should be made as regards the wages and conditions of labour prevailing at the different factories. It was understood that a circular on the subject had already been issued by the Bihar Government. Similar action might be taken in the United Provinces.

12. The importance of taking steps to improve cane cultivation and evolving measures to combat insect pests was emphasised by several members. A suggestion was also made that the Governments of the United Provinces and Bihar should approach the Central Government to reduce the excise duty and should themselves impose a tax on the sale of cane, so that more funds may be available for cane development. It was mentioned that Government were appointing a committee to go into the question of the deterioration of cane due to disease, and that cane development work was being extended. A note about the work being done in this connexion may be placed before the Board at its next meeting.

13. The draft rules were next examined. Some members urged that rules 3(a) and (b) were unnecessary and unduly fettered the discretion of the Board; and that if an industrialist desired to set up a factory in the neighbourhood of an existing factory, there need be no objection to it as it would help the canegrowers of that locality. It was explained that the object was to prevent congestion of factories. It was argued that it is better in the interests of growers to have a net work of factories all over the province, instead of confining the advantages of cane cultivation to the growers of one area; that it was advisable to restrict cane cultivation

in areas where it was already disproportionately large; and that too much cane cultivation, without adequate manure, exhausted the soil and was a source of future danger. Others suggestions were that the proposed distance of 10 miles in rule 3(a) should be increased to 20 miles and that the percentage of 60 in rule 3(b) be raised to 75. The Board felt that the rules might stand as drafted, except that the words "or likely to be available" may be added after "already available" in rule 3(b); it was made clear that rule 3(d) would be the most important factor for the Board to consider in recommending or withholding recommendations for a licence and that for calculating the percentage of the estimated cane requirements of a new factory, it was intended that only one-third of the land should be made available for planting under cane annually.

14. Certain other minor or consequential changes were also agreed to. In particular, the wording of the proviso to clause 3 was amended; an amendment was made in rule 6 along the lines of the change made in rule 3(b); the date for the submission of applications for licences was fixed as 21st February in rule 8, and the scale of fees for licences under section 10 was altered to that adopted in Bihar. Corresponding changes were also made in the forms; as regards form F it was pointed out in respect of the three additional clauses that there was no intention at present of issuing any such notifications unless the action of factories made this necessary.

15. Subject to the consent of the Bihar Government it was suggested that the next meeting of the Board be held on 6th March at Lucknow. It was found that no other suitable date was available in the near future; and as several members have to go to Delhi on 7th March, the meeting cannot be held at Patna on the 6th. It was decided that members who desired to send any items for discussion at meetings of the Board should send the same to the Secretary in the form of specific resolutions or motions, together with explanatory notes or memoranda thereon. These proposals should as far as possible be sent in well before the next meeting. A general desire was expressed that Cane Commissioners should be present at the meetings of the Board.

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*A Note of decisions taken at the Second Meeting of the Sugar Control Board held at Lucknow on the 10th April, 1938.*

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At the meeting of the Control Board there was a general discussion as to whether new factories should be allowed to be erected and whether existing factories should be allowed to be extended. The opinion was unanimous that new factories should not be allowed to be established. As regards extensions the general feeling was that extensions should not be permitted except to increase efficiency. On concrete cases coming up before the Board the application of Jai Luxmi Sugar Company of Doiwala, for extension was refused. The application of Pryag Sugar Works was postponed at the applicant's request. The application of the Dewan Sugar Mills was granted for 3 Rollers, specifications to be approved by the Cane Commissioner. The application of Aira Sugar Works for extension was granted, but that they will not be allowed to shift the factory to another site. The application of the Baraut Mills to shift to Lakshar was granted.

It was decided that there should be monthly meetings of the Sugar Control Board and that any reduction in the cane price that may be granted by the Government will have effect only till the next meeting of the Board.

A Committee of the Sugar Control Board was appointed with Mr. Khaitan, as Chairman and Mr. Shervani, Mr. Khusiram, Mr. Sibanlal Sakshena, and Mr. Kuldeo Jha as Members to enquire into the working of the Sugar Cane Rules and into the working of the Cane Co-operative Societies. This Committee is expected to start work in monsoon.

It was decided to call an All-India Conference to consider the position of the Sugar Industry in India.

The Secretary to the U. P. Government has asked to consider what amendments to the Rules are necessary so that without obtaining licenses Gur refineries can not be converted into Cane Crushing Plants.

Chowdhuri Khusiram moved a Resolution as follows:—

“The working of the Indian Sugar Syndicate Ltd. so far is very unsatisfactory and injurious to the Industry, so it is desirable that some suitable action should immediately be taken to improve the moral tone of the Indian Sugar Syndicate Ltd. in order to save the Industry from ruin”.

The resolution was withdrawn but it was decided that a copy of it should be sent to the Syndicate.

Mr. Shervani raised the question of certain Flour Mills in Cawnpore purchasing Khandsari sugar and selling it after refining it and crushing it as mill-made crushed sugar. The Government was asked to investigate the matter and take proper steps.

Mr. Sibanlal Sekshena moved a resolution that rules should be framed governing the conditions of labour in sugar factories. Dr. Katju stated that Government would appoint a Committee during the next season to investigate the conditions of Labour.

In the Bihar Board the consideration of the draft rules was postponed till the next meeting to be held at Patna in the first or second week of May, but Rules 22 and 23 were passed on account of urgency. Rules 22 and 23 relate to the getting of estimates of cane requirements from factories for the seasons 1938-39 and 1939-40.

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*Proceedings (Extracts) of the Third Meeting of the Sugar Control Board held at Patna on 7th May, 1938.*

AGENDA

RECOMMENDATIONS.

1. Confirmation of the proceedings of the second meeting of the Board which was held on 10th April, 1938.      The proceedings of the second meeting were confirmed with three minor amendments.
2. Application of the Upper Ganges Mills, Ltd. Seohara, Binjor distt. factory.      Consideration of the application was postponed at the request of the factory.
3. Application of the Upper Doab Sugar Mills, Ltd. Shamli, Muzaffar Nagar District, for licence to extend the factory.      The Board recommended the grant of a licence on condition that no roller mills would be allowed to be added in future.
4. Application of Upper Jumna Swadeshi Sugar Mills Co. Ltd., Mansurpur, Muzaffarnagar District for a licence to extend the factory.      The Board recommended the grant of a licence on condition that no extension of the boiling house will be permitted in future and on the understanding that the increase in the amount of cane crushed will not be more than 5 per cent.
5. Application of Ram Laxman Sugar Mills, Mohiuddinpur, Meerut district, for a licence to extend the factory.      The Board recommended the grant of a licence on the understanding that the amount of cane crushed at the factory would not be increased appreciably.
6. Application of the Shiromani Sugar Mills, Ltd., Khaliabad, Basti district for a licence for the construction of their factory.      The Board recommended the grant of a licence as this was a new factory but had been under construction for nearly two years.
7. The draft rules proposed to be made under the United Provinces Sugar Factories Control Act, 1938 will be laid on the table for information.      The Board decided to consider the draft rules at the next meeting.

8. Correspondence received from Shervani Bros. & Co. Ltd. regarding restriction of purchases of cane from villages with a certain radius of a purchasing centre.

The Board felt that this was an administrative matter and need not be considered by them.

9. Deductions allowed from the minimum price of cane since the last meeting of the Board.

This was recorded.

10. Consideration of the steps to be recommended in connection with the imposition of a duty of Rs. 2 per maund by the Gwalior Darbar on imports of the Sugar into the State.

The Board resolved that the import Duty imposed by the Gwalior Darbar was likely to create a grave situation and that the Government be requested to consider the question in all its aspects and take appropriate steps in the matter through the Government of India.

11. Ch. Khushi Ram will move that "The Sugar Control Boards of U. P. & Bihar request the Governments of the provinces to take steps to prohibit the use of the saccharine as a substitute for sugar because it is injurious to health and has no food value.

[The resolution was withdrawn and it was decided to invite the attention of Government of the use of saccharine in aerated waters, from the point of view of both the general health of the people and the replacement of sugar by saccharine.

12. Consideration of the steps to be recommended in connection with the establishment of sugar factories in Burma, which obtain their cane at 4 annas a maund.

The Board resolved that due weight should be given to the fact that factories elsewhere were able to obtain their cane at four annas a maund, when the question of fixing the minimum price of cane is further considered.

Proposal that factories should give substantial prizes for the best cane brought to them.

The Board resolved that factories should be strongly recommended to take vigorous steps to encourage and develop

the intensive cultivation of cane in their reserved areas and to achieve this end they should *inter alia*, distribute seed, manure, fertilisers, etc., on a wide scale and also give substantial prizes to cultivators who grew cane of the highest maundage and sucrose content.

Municipal taxes on sugarcane.

The Board expressed the opinion that all cane intended for use in a factory should be allowed to enter or pass through a municipality free of any toll or terminal tax or octroi, though registration fees may continue to be levied on carts which ply on roads in municipal areas.

Octroi and toll tax on sugar and molasses.

The Board resolved that Government be requested to examine the question of abolishing or reducing the octroi or toll tax levied by municipalities on sugar and molasses which merely pass through municipal areas and are not meant for consumption therein.

Ferry tolls levied by the P. W. D. and local bodies on carts carrying sugarcane.

The Board resolved that Government be requested to examine the question of abolishing or reducing the ferry tolls at present charged on carts carrying sugarcane.

Date of next meeting of the Board.

No date was fixed, and it was decided that applications for extension might be decided, if urgent, by circulation among members.

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*A Note of decisions taken at the Fourth meeting of the Sugar Control Board held at Lucknow on the 4/5th September, 1938.*

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*No. 1.*—The draft U. P. Sugar factories control rules were approved subject to amendments (a note regarding these amendments has already been circulated to members as per this office circular letter No. A-13 of 1938 dated the 10th September 1938).

*No. 2.*—The proposals put forward to amend the United Provinces Sugar Factories Control Act, 1938, (1) to make the intention of the law clear as to the granting of licenses to factories that were in existence at the time when the Act came into force and (2) to provide for factories outside the Province near the borders taking cane from areas in the province were approved in principle. But it was recommended that licenses should be granted to factories which had operated at any time during five years previous to the passing of the Act. It was recommended that the possibility of requiring a factory outside the province which desires a reserved area in the province to establish a branch-office and designate a Manager and to deposit an adequate security in the province should be examined.

*No. 3.*—As regards the question of cess or tax on cane the representatives of cane-growers and merchants recommended cess at a rate of ps. 3 per maund. The representatives of the Association opposed the proposal.

*No. 4.*—The Board then considered the question of a minimum price for cane in the next season. It was urged on behalf of the cane-growers that the prices should be As. 7/3 at the factory gate and As. 7/- at out stations. The representatives of the Association opposed any rise in the minimum price and pointed out that the cost of manufacture of sugar was likely to increase in view of shorter duration of the next season on account of a small crop of cane. It was suggested that the interests concerned should send reasoned representations to the Government giving full calculations and their conclusions as regards the prices of cane in the next season.

*No. 5.*—The situation arising from the high level of sugar prices was next considered. Some members suggested that the Syndicate was largely responsible for the increase in prices. It was pointed out by the representatives of the Association that the rise was mainly due to speculation by outsiders in anticipation of a short season and a further rise in prices. It was explained that the Syndicate had taken adequate steps by releasing larger quotas to check the tendency of the market. It was agreed that it would be an advantage if the Syndicate published promptly the information at its disposal as regards quotas, basic prices, actual selling prices, despatches and stocks, etc.

*No. 6.*—The question of the nomination of representatives of merchants and cane-growers on the Board of the Syndicate was left to the Government for decision.

*No. 7.*—The proposal for the establishment of a Technical Committee to advise on applications to extend factories was postponed. It was suggested that the Syndicate might appoint its own Technical Committee to go into such applications and send its views to the Government in respect of them. The Board decided to recommend to the Government that the applications received for extension of existing plans might be disposed of on the following principles, provided the technical Advisors of Government are satisfied that the proposed extensions are intended to increase efficiency rather than crushing capacity.

(a) No new factories should be permitted.

(b) Existing factories may be allowed to extend their plants for increasing efficiency provided that an undertaking is given that the crushing capacity will not be increased by more than 5%. This restriction might be waived in special cases where a factory is not an economic unit.

*No. 8.*—The application for construction of a new factory at Tilhar was rejected. The consideration of the application of the Khandke factory for extension was post-poned. The application of the Doiwala factory was recommended.

*No. 9.*—The application of the Lord Krishna Mills at Lhaksar for the grant of crushing license was considered and the Board held that the factory was not entitled to a license under the U. P. Sugar Factories Control Act and recommended that the application be refused. As regards the application of the Gutaiya Sugar factory, it was decided that certain enquiries be made.

*No. 10.*—As regards the letter from the Association about prosecutions for trivial offences under the U. P. Sugar Cane rules, it was noted that adequate provision had been made in the U. P. Sugar Factories Control Rules.

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**APPENDIX XII.**

**On page 12 of Preliminary Report not printed.**

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APPENDIX XIII.

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*Proceedings of the Meeting of the local members of the Committee with Mr. F. C. King, I.C.S., Commissioner, Central Excise and Salt, Northern India and Mr. A. E. Wright, Deputy Commissioner, held on the 3rd June, 1938, at 11 A.M. at the premises of the Association.*

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PRESENT:

- MR. D. KHAITAN, (*In the chair.*)  
,, J. AITKEN.  
,, R. L. NOPANY.  
,, M. P. GANDHI, (*By invitation.*)

**Excise Duty on Exports of Sugar by Sea.**—The attention of the Commissioner was invited to Notification No. 2 Central Excises, dated the 3rd May, 1934 exempting exports of sugar by sea from payment of excise duty and further to clause 1, sub-clause (2) of the Excise Duty Order, 1938 which saved notifications issued in pursuance of clause 10 of the Excise Duty Order, 1934 from cancellation. It was pointed out to him that the Notification No. 2 dated the 3rd May thus continued in operation and that no duty should therefore, be charged on sugar intended for export by sea, to Burma which was the only country to which such export was possible. His attention was further invited to the fact that since about March last the Excise authorities had started demanding excise duty even on such sugar. Mr. King explained that such charge may be due to the required proof of export not being submitted in time. He however, promised to look into the matter.

With regard to the refund of Excise duty already paid on sugar exported by sea, it was explained to the Commissioner that the time of one month allowed for producing the certificate of the Collector of Customs before the Excise Inspector was inadequate in as much as the Customs Authorities alone took about a fortnight to complete the formalities. It was suggested that the time-limit should be extended to at least six weeks from the date of export from the port.



(b) *Export by land*.—Members of the Committee brought to the notice of the Excise Commissioner, clause 14 of the Excise Duty Order, 1938 which laid down that refund of Excise Duty paid on exports of Sugar by land would be granted on production of "satisfactory evidence" of sugar having been so exported and the duty having been paid on the same. It was explained by the Members that no provision existed in the Order regarding exemption of sugar to be exported by land from payment of excise duty. They recommended that like, exports by sea, sugar exported by land should also be exempt from Excise Duty. The Commissioner observed that as a simplified procedure for refund was under contemplation which was expected to reduce the period within which the refund would be available, it may perhaps not be necessary to provide for exemption from payment of duty.

The Members invited attention to the expression "satisfactory evidence" occurring in clause 14 of the Order and stated that the expression was very vague and liable to different interpretations and submitted that the procedure for refund should be clearly defined. The Commissioner replied that the matter was under consideration and that uniform instructions in this connection will be issued at an early date.

The Members invited the Commissioner's special attention to the matter of export of sugar to Nepal and to the fact that the Excise Authorities demanded the certificate of his Britannic Majesty's Envoy at the court of Nepal which was an extremely laborious procedure. They further told him that in the absence of any definite instructions from the Excise Department, delivery had been taken of many sugar consignments sent to Nepal by the importer without having obtained the certificate of the British Envoy and suggested that in respect of such consignments and others which may be now exported before the issue of definite instructions, the Nepal octroi receipts should be deemed to be satisfactory proof of export. Mr. King agreed that the request was reasonable and assured that he would recommend it to the Central Board if the Association took up the matter directly.

2. The Members of the Committee invited the attention of the Commissioner to the various orders of local excise Authorities

requiring factories to re-stack sugar bags in their godowns in a manner that actual physical checking of the whole stock might be possible, and explained to him that compliance with such orders resulted in considerable hardship to factories. The Commissioner observed that such instructions were issued only with a view to ascertain the sugar in stock with factories at the time of the assumption of the Administration of Sugar Excise by the Central Government and that the difficulties were incidental to the period of transition. The situation had, however, changed since then and it was not expected that such difficulties would recur in future. He observed that there had been considerable improvement in the manner in which the stacking was being done in sugar factories.

3. The members next referred to the question of packing a small quantity of sugar in bags in excess of the declared weight as an allowance for dryage and sampling. They explained to the Commissioner that the reversal of the practice of allowing excess would involve factories in practical difficulties. They submitted that the Government might direct that an excess up to 2 chattacks in each bag should be allowed free from excise duty and that pending the announcement of Government's orders, the old practice of exempting such excise from Excise Duty should be continued.

4. The members invited the Excise Commissioner's attention to complaints received from some members regarding watchmen having been posted permanently at their gates. The Commissioner assured that only one case had been reported to him in which it was done due to special circumstances. He stated there was no intention of adopting any such general practice.

5. The members stated that a report had been received from a member factory that the Excise Authorities objected to their keeping within the factory premises one or two bags of sugar for sending samples to buyers or selling retail to employees, etc., as was allowed previously. The Commissioner stated that as long as Excise Duty was paid there could be no question of any intention to stop the practice of retail sales. He promised to look into the matter and advised that the same be taken up officially along with other matters.

6. Inviting attention to Clause 7 of the Excise Duty Order, 1938 the Members pointed out that various new registers had been

prescribed by that clause. They explained that much of the information required in the said forms could be collected from the forms that the factories were already submitting to the Director of Imperial Institute of Sugar Technology under the Sugar Production Rules and to the Association, etc. They explained that it would save the factories much unnecessary labour if all the forms could be examined and common forms be evolved, copies of which might be supplied to all concerned. The Commissioner welcomed the suggestion and promised support when the matter is taken up officially by the Association with the Central Board. In connection with the forms, the Members further stated that in some forms figures were to be shown in Cwts. whereas in others in Mds. They suggested uniform denomination or the showing of both denominations. The attention of the Excise Commissioner was also invited to certain other changes in the details of the forms which it was mentioned would be taken up later on by correspondence.

7. The members further invited the Commissioner's attention to the provisions of clause 7 which prescribed maintenance of details of the bills namely Bill No. and date, ledger folio number, Sales Journal Folio number at the factories and submitted that many factories sold their sugar through the selling agents and this information was being maintained in the case of such factories at their selling factories. They suggested amendments to clause 7 with a view to provide that such details of the bills may be maintained at the selling offices and should be open to inspection there, the factories notifying to the Commissioner regarding the location of such selling offices.

Mr. D. Khaitan then thanked Mr. King and Mr. Wright for the trouble they had taken in coming over to the Association and giving the Committee Members an opportunity to discuss with them the difficulties experienced by factories in connection with the administration of Excise. Mr. King also reciprocated.

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**APPENDIX XIV.**

**On page No. 27 of Preliminary Report not printed.**

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## APPENDIX XV.

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### JOINT POWER ALCOHOL COMMITTEE.

No. 2199-D.

GOVERNMENT OF BIHAR.

DEVELOPMENT DEPARTMENT.

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RESOLUTION.

*The 22nd December 1937.*

The problems of the sugar industry were discussed at a Joint Conference of the representatives of the United Provinces and Bihar which was held at Lucknow on the 29th and 30th September 1937 and by a sub-committee of this conference which met at Patna on the 19th and 20th October, 1937. One of the recommendations of this sub-committee was that the Governments of the United Provinces and Bihar should set up a joint committee to consider the question of the utilisation of molasses for the manufacture of power alcohol and for other profitable purposes. In pursuance of this recommendation, the Government of Bihar, in consultation with the Government of the United Provinces, have decided to appoint a committee to devise ways and means of starting the manufacture of power alcohol out of molasses, to report on the best method of manufacture and of mixing power alcohol with petrol and to explore the possible uses for molasses and their practical application.

2. The Committee will consist of the following members:—

- (1) Dr. N. R. Dhar, D.Sc., F.I.C., I.E.S., Professor, Allahabad University.
- (2) Mr. G. H. Dickson, Messrs. Begg Sutherland and Company, Cawnpore.
- (3) Mr. Ananthasubramanyam, Mysore Sugar Company Limited, Bangalore.

- (4) Dr. P. S. Maker, Chief Chemist, Majhulia Sugar Factory, District Champaran.
- (5) Lala Padampat Singhania, Cawnpore.
- (6) Mr. M. P. Gandhi, Chief Commercial Manager, The Rohtas Industries Limited.
- (7) Dr. S. S. Bhatnagar, O.B.E., D.Sc. F. Inst. P., Professor, Punjab University.

and

- (8) Dr. N. G. Chatterji, D.Sc., Imperial Institute of Sugar Technology, Cawnpore,

who will also be the Secretary of the Committee.

The Committee will elect its own Chairman, settle its own procedure and decide whom it will examine. Order—Ordered that the resolution be published in the Bihar Gazette and that a copy of it be forwarded to the Director of Agriculture, Director of Industries, Registrar, Co-operative Societies and the Cane Commissioner, Bihar, to all members of the Committee, to the Indian Sugar Mills Association, Indian Sugar Producers' Association, Indian Sugar Syndicate Limited, All-India Sugar Merchants Conference, the Cawnpore Sugar Merchants Association, the Champaran-Muzaffarpur Sugar Mills Association, all the Sugar Factories in Bihar, the Public Information Officer, the Finance Department and the Government of the United Provinces.

By order of the Governor of Bihar,

(Sd.) S. LALL,

*Secretary to Government.*

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**APPENDIX XVI.**  
**ON PAGE 30,**  
**AND**  
**APPENDIX XVII.**  
**ON PAGE 49**  
**OF THE**  
**Preliminary Report Not Printed**

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## APPENDIX XVIII.

### INDIAN SUGAR MILLS ASSOCIATION.

#### Statement of Accounts of Tariff Board Enquiry. SPECIAL FUND.

*Receipts and Payments Account up to 31st May, 1938.*

|                             |     |     | Rs.    | As. | P. |                           |     |     | Rs.    | As. | P. |
|-----------------------------|-----|-----|--------|-----|----|---------------------------|-----|-----|--------|-----|----|
| *A/c Contribution           | ... | ... | 44,134 | 2   | 0  | A/c Establishment Charges | ... | ... | 24,286 | 1   | 10 |
| * „ Additional contribution | ... | ... | 4,800  | 0   | 0  | „ Advertisement Charges   | ... | ... | 12,735 | 7   | 0  |
| „ Interest                  | ... | ... | 135    | 11  | 0  | „ Travelling Expenses     | ... | ... | 5,782  | 8   | 4  |
|                             |     |     |        |     |    | „ Publicity               | ... | ... | 1,839  | 0   | 0  |
|                             |     |     |        |     |    | „ Printing Charges        | ... | ... | 710    | 9   | 0  |
|                             |     |     |        |     |    | „ Postage & Telegrams     | ... | ... | 552    | 13  | 9  |
|                             |     |     |        |     |    | „ Furniture               | ... | ... | 433    | 14  | 0  |
|                             |     |     |        |     |    | „ Stationery              | ... | ... | 63     | 9   | 0  |
|                             |     |     |        |     |    | „ Bank Charges            | ... | ... | 48     | 3   | 0  |
|                             |     |     |        |     |    | „ Charges General         | ... | ... | 47     | 7   | 6  |
|                             |     |     |        |     |    | „ Library                 | ... | ... | 19     | 4   | 0  |
|                             |     |     |        |     |    |                           |     |     |        |     |    |
|                             |     |     | 49,069 | 13  | 0  |                           |     |     | 46,518 | 13  | 5  |
|                             |     |     |        |     |    | Balance with Bank         | ... | ... | 2,530  | 2   | 10 |
|                             |     |     |        |     |    | „ in hand                 | ... | ... | 20     | 12  | 9  |
| TOTAL Rs.                   | ... | ... | 49,069 | 13  | 0  | TOTAL Rs.                 | ... | ... | 49,069 | 13  | 0  |

( 1 )

*Dated, 29th June, 1938.*

\* *Vide, list attached.*

Sd/- S. R. DHADDA,  
*Secretary.*



INDIAN SUGAR MILLS ASSOCIATION  
SPECIAL FUND

| Names of member factories                                 | Amount contributed |     |     |
|---|--------------------|-----|-----|
|   | Rs.                | A.  | P.  |
| 1. North Bengal Sugar Mills Ltd. ...                      | 843                | 0   | 0   |
| 2. Setabganj Sugar Mills Ltd. ...                         | ...                | ... | ... |
| 3. Shree Radhakrishna Sugar Mills Ltd. ....               | 200                | 0   | 0   |
| 4. Belsund Sugar Co., Ltd. ...                            | 459                | 0   | 0   |
| 5. Bharat Sugar Mills Ltd. ...                            | 451                | 12  | 0   |
| 6. Behar Sugar Works ...                                  | 813                | 0   | 0   |
| 7. Cawnpore Sugar Works Ltd. (Marhowrah & Gouri) ...      | 1,050              | 8   | 0   |
| 8. Champaran Sugar Co., Ltd. (Barachakia & Chanpatia) ... | 1,514              | 4   | 0   |
| 9. Durbhanga Sugar Co., Ltd., (Lohat & Sakri) ...         | 1,393              | 12  | 0   |
| 10. Dumraonraj Sugar Factory ...                          | 290                | 0   | 0   |
| 11. Ganga Deshi Sugar Factory ...                         | ...                | ... | ... |
| 12. Harinagar Sugar Mills Ltd. ...                        | 777                | 8   | 0   |
| 13. Gaya Sugar Mills Ltd. ...                             | 438                | 4   | 0   |
| 14. Indian Sugar Works ...                                | 502                | 4   | 0   |
| 15. Japaha Sugar Concern ...                              | ...                | ... | ... |
| 16. Motilal Padampat Sugar Mills Ltd. ...                 | 602                | 12  | 0   |
| 17. Motipur Sugar Factory ...                             | 728                | 8   | 0   |
| 18. New India Sugar Mills Ltd. ...                        | 300                | 0   | 0   |
| 19. New Swadeshi Sugar Mills Ltd. ...                     | 626                | 8   | 0   |
| 20. New Savan Sugar & Gur Refining Co., Ltd. ...          | 700                | 8   | 0   |
| 21. Purnea Sugar Co., Ltd. ...                            | 571                | 12  | 0   |
| 22. Rohtas Industries Ltd. ...                            | 500                | 0   | 0   |
| 23. Ryam Sugar Co., Ltd. ...                              | 552                | 0   | 0   |
| 24. Samastipur Central Sugar Co., Ltd. ...                | 657                | 12  | 0   |
| 25. Sasa Musa Sugar Works Ltd. ...                        | ...                | ... | ... |
| 26. Pursa Sugar Factory ...                               | 482                | 12  | 0   |
| 27. Shree Hanuman Sugar Mills Ltd. ...                    | 912                | 8   | 0   |
| 28. Sitalpore Sugar Works Ltd. ...                        | 250                | 0   | 0   |
| 29. South Behar Sugar Works Ltd. ...                      | 500                | 0   | 0   |
| 30. Sri Krishna Gyanodaya Sugar Mills ...                 | 500                | 0   | 0   |
| 31. Sagauli Sugar Co., Ltd. ...                           | ...                | ... | ... |
| 32. Vishnu Sugar Mills Ltd. ...                           | ...                | ... | ... |

|   | Rs.   | A. | P. |
|---|-------|----|----|
| 33. Amritsar Sugar Co., Ltd. ... ..                             |       |    |    |
| 34. Balrampur Sugar Co., Ltd. ... ..                            | 670   | 8  | 0  |
| 35. Basti Sugar Mills Co., Ltd., (Walterganj<br>& Basti) ... .. | 1,359 | 0  | 0  |
| 36. Buland Sugar Mills Ltd. ... ..                              |       |    |    |
| 37. Burhwal Sugar Mills Ltd. ... ..                             |       |    |    |
| 38. Campierganj Sugar Mills Ltd. ... ..                         | 243   | 12 | 0  |
| 39. Daurala Sugar Works ... ..                                  | 766   | 4  | 0  |
| 40. Dhampur Sugar Mills Ltd. ... ..                             |       |    |    |
| 41. Diamond Sugar Mills Ltd. ... ..                             | 479   | 0  | 0  |
| 42. Diwan Sugar Mills Ltd ... ..                                | 100   | 0  | 0  |
| 43. Ganesh Sugar Mills Ltd. ... ..                              | 547   | 0  | 0  |
| 44. Hindusthan Sugar Mills Ltd. ... ..                          | 1,466 | 12 | 0  |
| 45. H. R. Sugar Factory ... ..                                  | 715   | 0  | 0  |
| 46. Ishwari Khetan Sugar Mills Ltd. ... ..                      |       |    |    |
| 47. Jagdish Sugar Mills Ltd. ... ..                             | 670   | 12 | 0  |
| 48. Jailakshmi Sugar Co., Ltd. ... ..                           | 380   | 0  | 0  |
| 49. Jaswant Sugar Mills Ltd. ... ..                             | 181   | 8  | 0  |
| 50. Kesar Sugar Works ... ..                                    | 1,099 | 8  | 0  |
| 51. Lakshmi Devi Sugar Mills Ltd. ... ..                        |       |    |    |
| 52. Lakshmiji Sugar Mills Ltd. ... ..                           |       |    |    |
| 53. L. H. Sugar Factories & Oil Mills Ltd. ... ..               | 682   | 6  | 0  |
| 54. Madho Kanahaya Mohesh Gouri Sugar<br>Mills ... ..           | 581   | 0  | 0  |
| 55. Mahabir Sugar Mills Ltd. ... ..                             |       |    |    |
| 56. Maheswari Khetan Sugar Mills Ltd. ... ..                    |       |    |    |
| 57. Modi Sugar Mills Ltd. ... ..                                |       |    |    |
| 58. Nawabganj Sugar Mills Ltd. ... ..                           | 1,225 | 0  | 0  |
| 59. Neoli Sugar Factory ... ..                                  | 720   | 0  | 0  |
| 60. Noori Sugar Works ... ..                                    |       |    |    |
| 61. Oudh Sugar Mills Ltd. ... ..                                | 1,403 | 8  | 0  |
| 62. Padrauna Raj Krishna Sugar Mills ... ..                     | 913   | 12 | 0  |
| 63. Pipraich Sugar Mills Ltd. ... ..                            | 256   | 4  | 0  |
| 64. Purtabpore Co., Ltd. ... ..                                 | 757   | 0  | 0  |
| 65. Punjab Sugar Mills Co., Ltd. ... ..                         | 609   | 12 | 0  |
| 66. Ramkola Sugar Mills Ltd. ... ..                             | 732   | 0  | 0  |
| 67. Ramluxman Sugar Mills ... ..                                | 184   | 4  | 0  |
| 68. Ratna Sugar Mills Ltd. ... ..                               | 578   | 8  | 0  |
| 69. Raza Sugar Co., Ltd. ... ..                                 |       |    |    |
| 70. Rosa Sugar Works & Distillery ... ..                        | 553   | 8  | 0  |

|      |   |        | Rs. A. P. |
|------|---|--------|-----------|
| 71.  | Saraya Sugar Factory                            | ... .. | 1,697 8 0 |
| 72.  | Seksaria Sugar Mills Ltd.                       | ... .. | 753 12 0  |
| 73.  | Seth Gulzarimull Ramchand Sugar Mills           | ... .. | ...       |
| 74.  | Seth Shiv Prasad Banarsi Das Sugar Mills        | ... .. | ...       |
| 75.  | Shanker Sugar Mills Ltd.                        | ... .. | 689 8 0   |
| 76.  | Shree Krishna Deshi Sugar Mills                 | ... .. | ...       |
| 77.  | Shree Sitaram Sugar Co., Ltd                    | ... .. | ...       |
| 78.  | Simbhaoli Sugar Mills Ltd.                      | ... .. | 410 0 0   |
| 79.  | Tribeni Deshi Sugar Mills Ltd.                  | ... .. | ...       |
| 80.  | U. P. Co-operative Sugar Factory Ltd.           | ... .. | ...       |
| 81.  | United Provinces Sugar Co., Ltd.                | ... .. | 732 8 0   |
| 82.  | Upper Ganges Sugar Mills Ltd.                   | ... .. | 895 0 0   |
| 83.  | Upper India Sugar Mills Ltd.                    | ... .. | ...       |
| 84.  | Upper Jumna Swadeshi Sugar Mills Ltd.           | ... .. | 373 12 0  |
| 85.  | Vishnu Pratap Sugar Works Ltd.                  | ... .. | ...       |
| 86.  | Punjab Sugar Corporation                        | ... .. | ...       |
| 87.  | Saraswati Sugar Mills Ltd.                      | ... .. | 349 0 0   |
| 88.  | Deccan Sugar & Abkhari Co., Ltd.                | ... .. | 120 0 0   |
| 89.  | East Indian Distilleries & Sugar Factories Ltd. | ... .. | 653 0 0   |
| 90.  | Mysore Sugar Co., Ltd.                          | ... .. | 1,226 8 0 |
| 91.  | Belapur Co., Ltd.                               | ... .. | 717 0 0   |
| 92.  | Kolhapur Sugar Co., Ltd.                        | ... .. | ...       |
| 93.  | Maharashtra Sugar Mills Ltd.                    | ... .. | ...       |
| 94.  | Marsland Price & Co., Ltd.                      | ... .. | 250 0 0   |
| 95.  | Ravalgaon Sugar Farm                            | ... .. | 263 0 0   |
| 96.  | Pioneer Sind Sugar Mills Ltd.                   | ... .. | ...       |
| 97.  | Burma Sugar Co., Ltd.                           | ... .. | ...       |
| 98.  | Zeyawadi Sugar Factory                          | ... .. | 509 8 0   |
| 99.  | Ganga Sugar Corporation                         | ... .. | ...       |
| 100. | Rai Bahadur Narain Singh Sugar Mills Ltd.       | ... .. | ...       |
| 101. | Upper Doab Sugar Mills Ltd.                     | ... .. | ...       |
| 102. | Lakshmi Sugar & Oil Mills Ltd.                  | ... .. | ...       |

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Rs. 44,134 2 0

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( v )

ADDITIONAL CONTRIBUTION

|  | Rs.       | A. | P. |
|--|-----------|----|----|
| 1. Bharat Sugar Mills Ltd. ...                     | 400       | 0  | 0  |
| 2. Upper Ganges Sugar Mills Ltd. ...               | 400       | 0  | 0  |
| 3. United Provinces Sugar Co., Ltd. ...            | 400       | 0  | 0  |
| 4. Belsund Sugar Co., Ltd. ...                     | 400       | 0  | 0  |
| 5. East India Distilleries & Sugar Factory ...     | 400       | 0  | 0  |
| 6. Deccan Sugar & Abkari Co., Ltd. ...             | 400       | 0  | 0  |
| 7. New Savan Sugar & Gur Refining Co.,<br>Ltd. ... | 400       | 0  | 0  |
| 8. Kesar Sugar Works ...                           | 400       | 0  | 0  |
| 9. Mysore Sugar Co., Ltd. ...                      | 400       | 0  | 0  |
| 10. Durbhanga Sugar Co., Ltd. ...                  | 800       | 0  | 0  |
| 11. Purnea Sugar Co., Ltd. ...                     | 400       | 0  | 0  |
|  | <hr/>     |    |    |
|  | Rs. 4,800 | 0  | 0  |

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**APPENDIX XIX**

**List of Sugar Mills in India, working and projected,  
(1938.)**

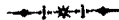
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# INDIAN SUGAR MILLS ASSOCIATION



## LIST OF SUGAR MILLS IN INDIA & BURMA WORKING AND PROJECTED (Season 1937-38)



*Published by :*  
THE SECRETARY, INDIAN SUGAR MILLS ASSOCIATION,  
135, Canning Street, Calcutta.  
1938.

*Price As. -/8/-*

# DETAILED LIST OF SUGAR MILLS (VACUUM PAN) IN INDIA (1937-38).

(Including Gur Refineries)

**EXPLANATION:—**

*Mills marked with an asterisk (\*) are members of the Indian Sugar Mills Association. Asterisk in the last but one column denotes mills which have also got Gur-refining plants.*

† Mills marked thus did not work this season.

‡ " " " are reported to be under construction.

"S" = Sulphitation. "DS" = Double Sulphitation. "C" = Carbonatation. "DC" = Double Carbonatation.

| Name of factory, with full name and address of Managing Agents or Proprietors.  | Location.  | District.    | Nearest Railway Station. | Nearest Steamer Station. | Daily cane-crushing capacity in tons. | ( )<br>S<br>( ) |
|---|--|--------------|--------------------------|--------------------------|---------------------------------------|-----------------|
| <u>BENGAL.</u>  |  |              |                          |                          |                                       |                 |
| 1. *North Bengal Sugar Mills Co., Ltd.,<br>M/A. Soorajmull Nagarmull,<br>61, Harrison Road, Calcutta,<br>(Tel. Sugar, Calcutta).              | Gopalpur,<br>(Tel. Sugar—<br>Gopalpur).                | Rajshahi.    | Gopalpur, E.B.R.         | Saraghat.                | 1000*                                 | DS              |
| 2. *Setabganj Sugar Mills, Ltd.,<br>M/A. Soorajmull Nagarmull,<br>61, Harrison Road, Calcutta,<br>(Tel. Sugar, Calcutta).                     | Setabganj,<br>(Tel. Sugar—<br>Setabganj,<br>E. B. Ry.) | Dinajpur.    | Setabganj, Do.           | Manihari.                | 500/550*                              | DS              |
| 3. *Shree Radha Krishna Sugar Mills, Ltd.,<br>M/A. Jhajharia Brothers, Ltd.,<br>138, Harrison Road, Calcutta,<br>(Tel. Sugarsweet, Calcutta). | Beldanga,<br>(Tel. Sugarsweet<br>—Beldanga.)           | Murshidabad. | Beldanga, Do.            | Lalgola, E.B.R.          | 550                                   | DS              |

|   |   |             |                              |     |                 |     |     |
|---|---|-------------|------------------------------|-----|-----------------|-----|-----|
| 4. * The Ramnugger Cane & Sugar Co., Ltd.<br>M/A. Anderson Wright & Co.,<br>22, Strand Road, Calcutta.  | Plassey P. O.<br>(Tel. Amasis)  | Nadia.      | Plassey                      | Do. | Do.             | 500 | DS. |
| 5. The Deshabandhu Sugar Mills, Ltd.<br>M/A. The Industrial Agency,<br>58, Patuatuly, Dacca.<br>(Tel. Deshabandhu, Dacca)   | Charsindur.   | Dacca.      | Ghorashal<br>(Flag) A. B. R. |     | Sultanpurghat.  | 250 | DS. |
| 6. ‡ Bandhab Sugar Mills, Ltd.<br>M/A. Sarkara Silpi,<br>Narayanganj,<br>(Tel. Bandhab Sugar Mills,<br>Narayanganj).  | Charsindur<br>(Tel. Bandhab<br>Sugar Mills.<br>Narsingdi)                   | Do.         | Do.                          | Do. | Do.             | 500 |     |
| 7. † The East Bengal Sugar Mills, Ltd.,<br>M/A. Ramanath Das & Co., Ltd.<br>30/31/32 North Brook Hall Road,<br>Dacca,   | Shome.<br>(Kaliganj).<br>(Tel. Arikhola,<br>A. B. Ry.,<br>Dacca.)           | Do.         | Arikhola                     | Do. | Ronaldshay ghat | 150 |     |
| 8. Shikarpur Sugar Mills,<br>M/P. Raja P. D. Raikut, M.L.A.<br>(Baikunthapur Raj) Jalpaiguri.<br>(Tel. Office Jalpaiguri).  | Shikarpur,<br>P. O. Belacoba.   | Jalpaiguri  | Belacoba, E. B. R.           |     | Dhubri.         | 150 |     |
| 9. ‡ Serampore Sugar Works, Ltd.,<br>Serampore.   | Ballavpur.  | Hooghly.    | Serampore, E. I. R.          |     | Calcutta.       | 100 |     |
| 10. † Dayamoyee Jayanti Sugar Mills, Ltd.<br>M/A. Advancement of Industries<br>(Bengal) Ltd., H. O. Mymensingh<br>(Tel. Dayamoyee Sugar Mills Ltd.,<br>Mymensingh.) | P. O. Kishoreganj,<br>(Tel. Dayamoyee<br>Sugar Mills, Ltd.<br>Kishoreganj.) | Mymensingh. | Kishoreganj, A. B. R.        |     |                 | 300 |     |
| 11. † The Bagda Sugar Mills, Ltd.<br>M/A. The Bengal Development Co.,<br>Ltd.,<br>29, Strand Road, Calcutta.  | Bagda,<br>P. O. Govinda-<br>ganj.   | Rungpur.    | Mahimaganj E. B. Ry.         |     |                 |     |     |

(  
c  
)



| Name of Factory, with full name and address of Manging Agents or Proprietors.  | Location.  | District.  | Nearest Railway Station. | Nearest Steamer Station.                               | Daily cane-crushing capacity in tons. |    |
|--|--|------------|--------------------------|--|---------------------------------------|----|
| <b><u>BIHAR</u></b>  |  |            |                          |  |                                       |    |
| 1. * Sakri Sugar Works of<br>The Darbhanga Sugar Co. Ltd.<br>M/A. Octavius Steel & Co. Ltd.,<br>14, Old Court House Street Cal.<br>(Tel. Lapizando, Calcutta.)     | Sakri P. O.  | Darbhanga. | Sakri, B. N. W. R.       | Semaria Ghat.  | 700                                   | S  |
| 2. * Lohat Sugar Factory of the<br>Darbhanga Sugar Co. Ltd.,<br>M/A. Octavius Steel & Co. Ltd.,<br>14, Old Court House Street, Cal.<br>(Tel. Lapizando, Calcutta.) | Lohat.   | Do.        | Fandaul, Do.             | Do.  | 1300                                  | S  |
| 3. * Ryam Sugar Co. Ltd.,<br>M/A. Begg, Sutherland & Co. Ltd.,<br>P. B. 21, Cawnpore,<br>(Tel. Begg, Cawnpore.)  | Ryam Factory P.O.<br>(Tel. Ryam<br>Factory, Tarsarai)  | Do.        | Tarsarai, Do.            | Do.  | 778                                   | C  |
| 4. * Samastipur Central Sugar Co. Ltd.<br>M/A. Begg, Sutherland & Co. Ltd.,<br>P. B. 21, Cawnpore,<br>(Tel. Begg, Cawnpore.)                                       | Samastipur.<br>(Tel. Central—<br>Samastipur.)  | Do.        | Samastipur, Do.          | Do.  | 700                                   | S  |
| 5. † Dalsingsarai Sugar Works, Ltd.,<br>M/A. Behar Trading Corporation,<br>Samastipur.   | Ujarpur.   | Do.        | Ujarpur, Do.             | Do.  | 300                                   |    |
| 6. * New India Sugar Mills, Ltd.,<br>M/A. B. R. Loyalka,<br>9, Royal Exchange Place, Calcutta,<br>(Tel. Loyalka, Calcutta.)  | Hassanpur Rd.<br>P.O. Hassanpur<br>Sugar Mills, (Tel.<br>Loyalka<br>Hassanpur<br>Sugar Mills,<br>Darbhanga.) | Do.        | Hassanpur Do.<br>Road    | Mokameh-Ghat.<br>Monghyr Ghat<br>and Khagaria<br>Ghat. | 1000                                  | DS |

|   |  |              |              |     |           |           |    |
|---|--|--------------|--------------|-----|-----------|-----------|----|
| 7. *Semapur Sugar Works of the<br>Purnea Sugar Co. Ltd.,<br>M/A. Octavius Steel & Co. Ltd.,<br>14, Old Court House Street, Calcutta,<br>(Tel. Lapizando, Calcutta.)   | Semapur.   | Purnea.      | Semapur      | Do. | Manihari. | 700       | C  |
| 8. † Matangini Sugar & Dal Mill,<br>Prop. Dinesh Chandra Roy, Zeminder  | P. O. Hem-kunja                                      | Do.          |              |     |           |           |    |
| 9. *Japaha Sugar Factory,<br>M/P. S. & G. Richardson and others<br>Muzaffarpur.<br>(Tel. Richardson, Muzaffarpur.)  | Japaha,<br>Bhicanpore<br>Factory P. O.               | Muzaffarpur. | Muzaffarpur. | Do. | Paleza    | 500       | S  |
| 10. *Motipur Sugar Factory, Ltd,<br>M/D. Sir Haji Abdoola Haroon, M.L.A.,<br>Napier Road, Karachi,<br>(Tel. Shadman—Karachi.)<br>Seth Haji Abdul Rahim Oosman,<br>Rajmohan Street, Calcutta,<br>(Tel. Muslim—Calcutta.) | Motipur.<br>(Tel. Sattar<br>Motipur<br>Muzaffarpur.) | Do.          | Motipur.     | Do. | Do.       | 1000/1300 | DC |
| 11. *Belsund Sugar Co., Ltd,<br>M/A. James Finlay & Co., Ltd.,<br>1, Clive Street, Calcutta,<br>(Tel. Mercator, Calcutta,)  | Righa P. O.<br>(Tel. Mitha,<br>Righa.)               | Do.          | Riga,        | Do. | Semaria.  | 850       | DS |
| 12. *Champaran Sugar Co., Ltd.<br>Barrah Factory<br>M/A. Begg, Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore.<br>(Tel. Begg, Cawnpore.)   | Bara-Chakia<br>P. O.<br>(Tel. Cane<br>Bara-Chakia.)  | Champaran.   | Chakia,      | Do. | Paleza.   | 900       | C  |
| 13. *Shree Hanuman Sugar Mills, Ltd.,<br>M/A. Daulatram Rawatmull,<br>178, Harrison Road, Calcutta,<br>(Tel. Gullaseed—Calcutta)  | Motihari.<br>(Tel. Sugar-<br>Motihari.)              | Do.          | Motihari,    | Do. | Do.       | 600*      | DS |

| Name of factory, with full name and address of Managing Agents or Proprietors.  | Location.   | District   | Nearest Railway Station. | Nearest Steamer Station. | Daily cane crushing capacity in tons. |    |
|---|---|------------|--------------------------|--------------------------|---------------------------------------|----|
| 14. *The Sugauli Sugar Works, Ltd.,<br>M/D. Md. Hanif & Amjadali,<br>3, Rajmohan Street, Calcutta.  | Sugauli.  | Champaran. | Sugauli, B.N.W.R.        | Paleza.                  | 800                                   | DS |
| 15. *Mctilal Padampat Sugar Mills Co., Ltd.,<br>H O. Cawnpore.<br>(Tel. Motipat, Cawnpore)  | Majhaulia.<br>(Tel. Motipat,<br>Majhaulia,<br>Champaran.) | Do.        | Majhowlia, Do.           | Do.                      | 800                                   | S  |
| 16. *Champaran Sugar Co., Ltd.,<br>Chanpatia Factory<br>M/A. Begg, Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore,<br>(Tel. Begg—Cawnpore.)                                | Chanpatia,<br>(Tel. Chansuco<br>Chanpatia.)               | Do.        | Chanpatia, Do.           | Do.                      | 900                                   | S  |
| 17. *Pursa Sugar Factory,<br>M/A. Pursa Limited,<br>Pursa.<br>P. O. Lauriya, Champaran,<br>(Tel. Fuze, Lauriya.)  | Pursa.<br>Lauriya, P. O.                                  | Do.        | Do Do.                   | Do.                      | 500/600                               | DS |
| 18. *New Swadeshi Sugar Mills, Ltd.,<br>Narkatiaganj,<br>M/A. Birla Brothers, Ltd.,<br>Jehangir Wadia Building,<br>Esplanade Road, Fort, Bombay,<br>(Tel. Lucky, Bombay.) | Narkatiaganj.<br>(Tel. Birla<br>Narkatiaganj.)            | Do.        | Narkatiaganj. Do.        | Do.                      | 750                                   | S  |
| 19. *Harinagar Sugar Mills, Ltd.,<br>M/A. Narayanlal Bansilal,<br>207, Kalbadevi Road,<br>Bombay.   | Ramnagar.<br>(Tel. Maryada-<br>Ramnagar<br>Champaran.)    | Do.        | Harinagar, Do.           | Do.                      | 1400/1500                             | DS |

|     |  |   |            |                          |        |        |          |    |
|-----|--|---|------------|--------------------------|--------|--------|----------|----|
| 20  | *Ganga Devi Sugar Mills Ltd.<br>M/A. Marwari Brothers<br>Naraipore, Bagaha P.O.<br>(Tel. Ganga, Bagaha).<br>(Tel. Muryada, Bombay.)  | Bagaha P. O.  | Champaran. | Bagaha,                  | Do.    | Do.    | 450/650  | DS |
| 21. | *Gaya Sugar Mills, Ltd.,<br>Managing Director,<br>Mr. Gur Sharan Lal   | Guraru.<br>P. O. Guraru-<br>mills.<br>(Tel. Sugar-<br>Mills.) | Gaya.      | Guraru,                  | E.I.R. | Patna. | 600/700* | DS |
| 22. | †The Patna Sugar Mills, Ltd.,<br>M/A. Amirchandra & Co., Arrah   | Khagaul.  | Patna.     | Dinapore,                | Do.    | Digha. |          |    |
| 23. | *The South Bihar Sugar Mills, Ltd.,<br>M/A. Nirmal Kumar Jain & Co.,<br>Devashram, Arrah.<br>(Tel. Jineshwar—Arrah.)   | Bihta.<br>(Tel. Sugar<br>Bihta.)                              | Do.        | Bihta,                   | Do.    | Do.    | 1200     | DS |
| 24. | *Dumraon Raj Sugar Factory,<br>Prop.—Maharaja Bahadur Dumraon Raj,<br>P. O. Dumraon,<br>Dist. Shahabad   | Bikramganj.<br>P. O. Bikram-<br>ganj.                         | Shahabad.  | Bikramganj,<br>A.S.L.R.  |        | Sinha. | 250      | DS |
| 25. | *Rohtas Industries Ltd.,<br>M/A. Dalmia Sabharwal Jain & Co.,<br>P.O. Dalmianagar (Shahabad).<br>(Tel. Sugar, P.O. Dalmianagar.)   | P.O. Dalmianagar.<br>Rly. Station<br>Delhi-on-Sone.           | Do.        | Dehri-on-Sone,<br>E.I.R. |        | Buxar. | 1800     | DC |
| 26. | *Ganga Deshi Sugar Factory, Ltd.<br>M/D. B. Behari Lal,<br>Buxar.<br>(Tel. Sugar—Buxar.)   | Buxar.<br>P. O. Buxar-<br>Gadadharganj.                       | Do.        | Buxar,                   | Do.    | Do.    | 100*     |    |
| 27. | *Sitalpore Sugar Works, Ltd.,<br>M/D. Ghosh & Dutt,<br>93, Dharamtolla Street, Calcutta<br>and Indian Press Buildings,<br>Allahabad.<br>(Local Office: Sahibganj, Chapra.) | Sitalpore,<br>(Tel. Kamala<br>Sitalpore,<br>B.N.W.R.)         | Saran.     | Sitalpore,<br>B.N.W.R.   |        | Baghi. | 2000     | DS |

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| Name of Factory, with full name and address of Managing Agents or Proprietors.  | Location.                                 | District. | Nearest Railway Station. | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |
|---|---|-----------|--------------------------|--------------------------|---------------------------------------|
| 28. *Cawnpore Sugar Works Ltd.,<br>Marhowrah Factory<br>M/A. Begg, Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore.<br>(Tel. Begg, Cawnpore).   | Marhowrah,<br>(Tel. Marsuco<br>Marhowrah) | Saran.    | Marhowrah,<br>B.N.W.R.   | Marhowrah.               | 900 DC                                |
| 29. †Maharajganj Sugar Factory,<br>Lessees : Bhargava Bros. & Co.,<br>Maharajganj.  | Maharajganj.                              | Do.       | Maharajganj, Do.         | Revelganj.               | 150*                                  |
| 30. *The Behar Sugar Works,<br>of the Industrial Corporation Ltd.<br>M/A. Bakubhai Ambalal & Co,<br>P. B. 23, Ahmedabad.<br>(Tel. Molas—Amedabad).<br>H. O. 27, Bastion Road, Fort, Bombay,<br>(Tel. Indus—Bombay). | Pachrukhi<br>(Tel. Indus-<br>Pachrukhi)   | Do.       | Pachrukhi, Do.           | Savan O.A.               | 1100 DC                               |
| 31. *New Savan Sugar & Gur<br>Refining Co., Ltd.,<br>M/A. Andrew Yule & Co., Ltd.,<br>8, Clive Row, Calcutta,<br>(Tel. Yuletide—Calcutta).  | Siwan,<br>(Tel. Sugar<br>Siwan).          | Do.       | Savan,                   | Do. Do.                  | 800 S                                 |
| 32. *Indian Sugar Works,<br>M/P. Mouivi Mohd. Abdul Razzaque,<br>P.O. Siwan, Dist. Saran.<br>(Tel. Indian—Siwan).   | Siwan.                                    | Do.       | Do.                      | Do. Do.                  | 700 S                                 |
| 33. Siwan Deshi Sugar Factory,<br>Prop. Messrs. Noori Mian & Co.<br>Bhatni (Gorakhpur).   | Do.                                       | Do.       | Do.                      | Do. Do.                  | Gur only.                             |
| 34. *Bharat Sugar Mills Ltd.,<br>M/A. Birla Bros., Ltd.,<br>8, Royal Exchange Place, Calcutta,<br>(Tel. Lucky—Calcutta).  | Sidhwalia,<br>(Tel. Birla—<br>Sidhwalia.) | Do.       | Sidhwalia,               | Do. Revelganj.           | 600 S                                 |

|   |  |            |           |     |                         |           |   |
|---|--|------------|-----------|-----|-------------------------|-----------|---|
| 35. *Sasa Musa Sugar Works, Ltd.,<br>M/A. Mousell & Co., Ltd.<br>P.B. 2164, Calcutta,<br>(Tel. Diogenes—Calcutta).                                  | Sasa Musa<br>(Tel. Factory—<br>Sasa Musa).                                     | Do.        | Sasa Musa | Do. | Do.                     | 450       | S |
| 36. *The Vishnu Sugar Mills, Ltd.<br>M/A. Bilasrai Banarsilal & Co.,<br>Agakhan Building,<br>Dalal Street Fort, Bombay.<br>(Tel. Brijbilas—Bombay). | Gopalganj<br>(Tel. Vishnu—<br>Gopalganj).                                      | Do.        | Harkhua,  | Do. | Do.                     | 800       | S |
| 37. *S. K. G. Sugar Ltd.,<br>M/A. Dalmia Jain & Co.,<br>P. O. Dalmianagar.<br>Dist. Shahabad.<br>(Tel. Sugar—P.O. Dalmianagar).                     | Hathua,<br>P.O. Mirganj,<br>(Tel. Krishna—<br>Mirganj, &<br>Chupra).           | Do.        | Hathua,   | Do. | Baghi and<br>Revelganj. | 1400/1500 | S |
| 38. Shri Lakshmi Narayan Sugar Works, Ltd.<br>M/A. Gupta Bros., & Co.<br>Manoharpatti, P.O. Nirmali<br>(Tel. Sugar, Nirmali).                       | Monoharpatti,<br>P.O. Nirmali,<br>(Tel. Sugar—<br>Nirmali<br>Dist. Bhagalpur). | Bhagalpur. | Nirmali,  | Do. | Semaria                 | 75        | S |

### UNITED PROVINCES.

|  |                                       |            |         |     |            |     |    |
|--|---------------------------------------|------------|---------|-----|------------|-----|----|
| 1. *Purtabpore Co., Ltd.<br>M/A. Begg, Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore,<br>(Tel. Begg—Cawnpore). | Mairwa,<br>(Tel. Sucrose—<br>Mairwa). | Gorakhpur. | Mairwa, | Do. | Revelganj. | 740 | DC |
| 2. *Noori Sugar Works.<br>Prop. Noori Mian & Co. Bhatni.<br>(Tel. Noori - Bhatni).                             | Bhatni.                               | Do.        | Bhatni, | Do. | Barhaj.    | 500 | S  |

| Name of Factory, with full name and address of Managing Agents or Proprietors,  | Location.   | District.  | Nearest Railway Station. | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |
|---|---|------------|--------------------------|--------------------------|---------------------------------------|
| 3. *Shree Sitaram Sugar Co., Ltd.,<br>M/A. Karamchand Thapar & Bros., Ltd.<br>5, Royal Exchange Place,<br>Calcutta,<br>(Tel. Spiritual—Calcutta). | Baitalpur,<br>P.O. Deoria,<br>(Tel. Spiritual—<br>Baitalpur,<br>B.N.W.) | Gorakhpur. | Baitalpur, B.N.W.R.      | Barhaj                   | 800 S                                 |
| 4. *Cawnpore Sugar Works, Ltd.<br>Gauri Factory,<br>M/A. Begg, Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore.<br>(Tel. Begg—Cawnpore.)            | Gauribazar,<br>P. O.<br>(Tel. Gaursuco<br>Gauribazar.)                  | Do.        | Gauri Bazar. Do.         | Do.<br>(30 miles.)       | 700/800 DS                            |
| 5. Deoria Sugar Mills Ltd.,<br>M/A. Karanchand Thapar & Bros., Ltd.,<br>5, Royal Exchange Place, Calcutta.<br>(Tel. Spiritual—Calcutta.)          | Deoria.<br>(Tel. Spiritual—<br>Deoria.)                                 | Do.        | Tahsil Deoria, Do.       | Barhaj                   | 900 S                                 |
| 6. The Mahaswastika Sugar & Industrial<br>Corpn. Ltd.,<br>M/A. Badridass Satyanarain & Co.,<br>Deoria.<br>(Tel. Swastika Deoria.)                 | Deoria.   | Do.        | Do.                      | Do.                      | 300 DS                                |
| 7. *Saraya Sugar Factory,<br>Senior M/Partner;<br>S. B. Dr. Sir Sundar Singh Majithia,<br>Sardarnagar.<br>(Tel. Majithias—Sardarnagar.)           | Sardarnagar.  | Do.        | Sardarnagar, Do.         | Do.                      | 2000 DS                               |
| 8. *Diamond Sugar Mills, Ltd.<br>M/A. Murarka & Sons, Ltd.<br>10, Clive Row, Calcutta.<br>(Tel. Canesugar—Calcutta.)                              | Pipraich.<br>(Tel. Diamond<br>—Pipraich)<br>(B. N. W.)                  | Do.        | Pipraich,                | Do.                      | 400 DS                                |
| 9. *Pipraich Sugar Mills, Ltd.,<br>M/A. Mr. Mohammad Ashfaq, B.A.,<br>General Manager.<br>(Tel. General Manager—Pipraich Mills.)                  | Pipraich.<br>(Tel. Pipraich<br>Mill—Pipraich.)                          | Do.        | Do.                      | Do.                      | 300 S                                 |

|   |   |     |                  |            |          |    |
|---|---|-----|------------------|------------|----------|----|
| 10. *The Shankar Sugar Mills, Ltd.,<br>M/A. Inderchand Hariram.<br>Generalganj, Cawnpore.<br>(Tel. Mahadeoji—Cawnpore.)   | Captainganj.<br>(Tel. Shankarji,<br>Captainganj)  | Do. | Captainganj, Do. | Do.        | 800      | S  |
| 11. *The Punjab Sugar Mills, Co., Ltd.,<br>Managers, Messrs. Narang Bros. & Co., Ltd.,<br>3, Montgomery Road, Lahore.<br>(Tel. Narang—Lahore.)  | Ghughli,<br>(Tel. Factory-<br>Ghugli.)            | Do. | Ghughli, Do.     | Do.        | 700/800* | DS |
| 12. *Mahabir Sugar Mills, Ltd.,<br>M/A. Dwarkadas Baijnath,<br>Siswa Bazar.   | Siswa Bazar.<br>(Tel. Mahabirji<br>—Siswa Bazar.) | Do. | Siswa Bazar, Do. | Do.        | 500      | DS |
| 13. *The Vishnu Pratap Sugar Works, Ltd.,<br>M/D. R. K. Krishna Pratap Narain Singh<br>and Kr. Ravi Pratap Narain Singh of<br>Padrauna.<br>(Tel. Sugar, Rajabazar Khadda.)  | Khadda.   | Do. | Khada, Do.       | Do.        | 400      | S  |
| 14. *The Lakshmi Devi Sugar Mills, Ltd.,<br>M/A. Messrs. Agarwal & Co.,<br>P.O. Chhitauni.  | Chhitauni.  | Do. | Chhitauni, Do.   | Do.        | 400/600  | DS |
| 15. *Ishwari Khetan Sugar Mills, Ltd.,<br>M/A. Devidutt Surajmull,<br>Padrauna, Gorakhpur.<br>(Tel. Khetan—Padrauna.)   | Lakshmiganj.<br>(Tel. Khetan-<br>Lakshmiganj.)    | Do. | Lakshmiganj, Do. | Revelganj. | 500*     | S  |
| 16. *The Ramkola Sugar Mills Co., Ltd.,<br>H. O. Nawashahr (Hazara),<br>Via Abbottabad.<br>P. B. Lala Isher Dass M.A., LL.B., M.L.C.<br>Nawashahr<br>Via Abbottabad. N. W. F. P.<br>Chairman,<br>Lala Balmokand Shah Sawhney,<br>Managing Director.<br>(Tel. Timber-Nawashahr, Hazara). | Ramkola.<br>(Tel. Sugar-<br>Ramkola.)             | Do. | Ramkola, Do.     | Do.        | 700/900  | DS |



| Name of Factory, with full name and address of Managing Agents or Proprietors.  | Location.   | District.  | Nearest Railway Station. | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |
|---|---|------------|--------------------------|--------------------------|---------------------------------------|
| 17.* Maheshwari Khetan Sugar Mills, Ltd.,<br>M/A. Messrs. Devidutt Chaturbhuj,<br>P. O. Ramkola.<br>(Tel. Khetan—Ramkola.)              | Ramkola.  | Gorakhpur. | Ramkola B.N.W.R.         | Barhaj.                  | 700/750 DS                            |
| 18.*Padrauna Rajkrishna Sugar Works, Ltd.,<br>M/D. R. B. Jagadish Narain Singh<br>of Padrauna.<br>(Tel. Krishna—Padrauna.)              | Padrauna.   | Do.        | Padrauna, Do.            | Do.                      | 800 S                                 |
| 19.*Jagadish Sugar Mills, Ltd.,<br>M/A. Raja Bahadur Brijnarayan<br>Singh & Co., Padrauna.<br>(Tel. Jagadish—Padrauna.)                 | Kathkuiyan,<br>Padrauna<br>P. O.                            | Do.        | Kathkuiyan, Do.          | Do.                      | 400 DS                                |
| 20.*The United Provinces Sugar Co., Ltd.,<br>M/A. James Finlay & Co. Ltd.,<br>1, Clive Street, Calcutta.<br>(Tel. Mercator—Calcutta.)   | Seorahi P. O.<br>(Tel. Onini—<br>Seorahi.)                  | Do.        | Tamkahi Rd., Do.         | Do.                      | 925 DS                                |
| 21.*Ganesh Sugar Mills, Ltd.,<br>M/A. Poddar Jaipuria & Co.,<br>P. 23, Vivekananda Road, Calcutta.<br>(Tel. Jaipuria, Calcutta.)        | Pharenda.<br>(Tel. Ganesh-<br>Pharenda<br>B.N.W.Ry.)        | Do.        | Pharenda, Do.            | Do.                      | 700 DS                                |
| 22. Ledi Sugar Factory,<br>Lessees:—Karamchand Thapar & Bros. Ltd.<br>5, Royal Exchange Place, Calcutta,<br>(Tel. Spiritual, Calcutta). | Ledi,<br>P. O. Nichlaur<br>(Tel. Spiritual,<br>Siswabazar.) | Do.        | Siswa Bazar, Do.         | Do.                      | 80 S                                  |
| 23.*Campierganj Sugar Mills, Ltd.,<br>M/D. K. B. M. Nesarullah, Esq., B.A., M.L.C.<br>(Tel. Nesarullah, Gorakhpur).                     | Campierganj.<br>(Tel. Campierganj<br>Mills Campierganj.)    | Do.        | Campierganj, Do.         | Do.                      | 300 S                                 |

|   |   |        |             |     |     |          |    |
|---|---|--------|-------------|-----|-----|----------|----|
| 24. †The Pashupati Industrial,<br>Agricultural & Sugar Corporation, Ltd.,<br>Nautanwa.  | Nautanwa.   | Do.    | Nautanwa,   | Do. | Do. |          |    |
| 25. *The Madho Kanhaya Mahesh Gauri<br>Sugar Mills, Ltd.  | Munderwa.<br>(Tel. Jagadish<br>Munderwa.)                           | Basti. | Munderwa,   | Do. | Do. | 500/600  | S  |
| 26. *Basti Factory of<br>The Basti Sugar Mills Co., Ltd.,<br>M/A. Narang Bros., & Co., Ltd.,<br>3, Montgomery Road, Lahore.<br>(Tel. Narang, Lahore),     | Basti.<br>(Tel. Sugar Fac-<br>tory Basti.)                          | Do.    | Basti,      | Do. | Do. | 800      | S  |
| 27. *Walterganj Factory of<br>The Basti Sugar Mills Co., Ltd.,<br>M/A. Narang Bros. & Co., Ltd.,<br>3, Montgomery Road, Lahore.<br>(Tel. Narang, Lahore). | Walterganj.<br>(Tel. Sugar Fac-<br>tory, Walterganj.)               | Do.    | Walterganj, | Do. | Do. | 700/800  | S  |
| 28. The Popular Sugar Co., Ltd.,<br>Manager, L. Ram Nath Narang<br>M/A. Narang & Co., Ltd., Basti,<br>(Tel. Narang, Basti).                               | Barhni.<br>P. O.<br>Ramduttganj<br>(Tel. Popsko,<br>Barhni, B.N.W.) | Do.    | Barhni,     | Do. | Do. | 800/1000 | DS |
| 29. *†Shiromoni Sugar Mills, Ltd.,<br>M/A. Lal G. B. Pal & Co.,<br>Misrauliakothi, Basti.,  | Khalilabad.<br>(Tel. Shiromoni<br>Khalilabad.)                      | Do.    | Khalilabad, | Do. | Do. | 400      |    |
| 30. Lakarmandi Sugar Mills Co., Ltd.,<br>Lakarmandi<br>(Tel. White Sugar Nawabganj Gonda.)  | Lakarmandi.<br>P. O. Nawab-<br>ganj, (Gonda.)                       | Gonda. | Katra,      | Do. | Do. | 100/150  | DS |
| 31. *The Seksaria Sugar Mills, Ltd.,<br>M/A. Govindram Ramnath & Co.,<br>18, Mullick Street, Calcutta.<br>(Tel. Seksariaco, Calcutta.)                    | Babhnan.<br>(Tel. Seksariaco<br>Babhnan.)                           | Do.    | Babhnan.    | Do. | Do. | 650      | DS |
| 32. *Nawabganj Sugar Mills Co., Ltd.,<br>M/A. Narang Bros. & Co., Ltd.,<br>3, Montgomery Road,<br>Lahore.<br>(Tel. Narang, Lahore.)                       | Nawabganj.<br>(Tel. Sugar Mills<br>Nawabganj,<br>Gonda.)            | Do.    | Nawabganj,  | Do. | Do. | 1850     | DS |

| Name of factory, with full name and address of Managing Agents or Proprietors.  | Location.  | District.  | Nearest Railway Station.         | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |    |
|---|--|------------|----------------------------------|--------------------------|---------------------------------------|----|
| 33. *Balrampur Sugar Co., Ltd.,<br>Balrampur Factory,<br>M/A. Begg Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore.<br>(Tel. Begg, Cawnpore.) | Balrampur<br>(Tel. Balsuco<br>Balrampur.)                | Gonda      | Balrampur,<br>B. N. W. R.        | Barhaj                   | 700                                   | S  |
| 34. *Balrampur Sugar Co., Ltd.,<br>Tulsipur Factory,<br>M/A. Begg, Sutherland & Co., Ltd.<br>P. B. 21, Cawnpore.<br>(Tel. Begg—Cawnpore.)   | Tulsipur,<br>(Tel. Tulsuco—<br>Tulsipur.)                | Do.        | Tulsipur.<br>B.N.W.R.            | Ajodhya Ghat.            | 760                                   | S  |
| 35. *Gulzarimall Ramchand Sugar Mills.<br>Shahalmi Gate, Lahore.<br>(Tel. Mala—Lahore.)   | Jarwal Road.<br>(Tel. Mala<br>Jarwal Road.)              | Bahraich   | Jarwal Rd. Do. Do.               | Do.                      | 600                                   | S  |
| 36. *Burhwal Sugar Mills Ltd.,<br>M/D. Durga Shankar, Dayaram,<br>Collectorganj, Cawnpore,<br>(Tel. Ganeshji, Cawnpore.)                    | Burhwal.<br>Tel. Ganeshji<br>Burhwal.)                   | Barabanki. | Burhwal, B. N.W.R.<br>& E. I. R. | Do.                      | 300*                                  | DS |
| 37. Lucknow Sugar Works.<br><i>Lessee</i> for 1937-38 ;<br>R. B. Seth Jessaram Hiranand.<br>Aishbag, Lucknow.<br>(Tel. 'Sugar'—Lucknow.)    | Aishbagh.  | Lucknow.   | Aishbagh, E. I. R.               | Do.                      | 400*                                  |    |
| 38. *Ratna Sugar Mills. Co., Ltd.,<br>M/A. Kashiprasad & Co.,<br>107, Street Feild Road,<br>Benares City.<br>(Tel. Ratna --Benares.)        | Shahganj,<br>(Tel. Ratna<br>Shahganj,<br>Jaunpur.)       | Jaunpur.   | Shahganj, Do. Bailia.            | Do.                      | 500                                   | DS |
| 39. *Shree Krishna Deshi Sugar Works,<br>Prop. Shervani Bros. & Co., Ltd.,<br>Jhusi   | Jhusi,<br>(Tel. Lalyrosik<br>Jhusi, Dist.<br>Allahabad.) | Allahabad, | Jhusi, B.N.W.R.                  | Do.                      | 400*                                  | S  |

|  |   |               |                       |                   |         |      |    |
|--|---|---------------|-----------------------|-------------------|---------|------|----|
| 40. †Tribeni Desi Sugar Works,<br>Prop. A. Beniprasad, Naini,<br>(Tel. Madho-Naini).   | Naini   | Do.           | Naini,                | E.I.R.            | Buxar.  | 200  | S  |
| 41. *The Lakshmi Sugar & Oil Mills, Ltd.,<br>H.O. Amritsar<br>Managing Director—Lala Bansidhar.  | Hardoi<br>(Tel. Lakshmi).                                       | Hardoi.       | Hardoi,               | Do.               | Do.     | 1200 | DS |
| 42. *U. P. Co-operative Sugar Factory Ltd.,<br>M/A. The Punjab Sugar Mills Co., Ltd.,<br>3, Montgomery Road,<br>Lahore.                            | Biswan,<br>(Tel. Factory<br>Biswan.)                            | Sitapur.      | Biswan,               | P.N.W.R.          | Barhaj. | 600  | DS |
| 43. *The Oudh Sugar Mills, Ltd.,<br>M/A. Birla Bros. Ltd.,<br>Jehangir Wadia Building,<br>Esplanade Road, Bombay<br>(Tel. Lucky—Bombay).           | Hargaon,<br>(Tel. Birla—<br>Hargaonsugar-<br>mills).            | Do.           | Hargaon,              | R.K.R.            | Do.     | 1600 | DS |
| 44. *The Lakshmiji Sugar Mills Co., Ltd.,<br>M/A.—R. B. Seth Ajoodhia Pershad & Sons<br>24, Mozang Road, Lahore,<br>(Tel. Seth-Lahore).            | Maholi,<br>(Tel. Lakshmi—<br>Maholi).                           | Do.           | Maholi,               | E.I.R.            | Buxar.  | 1000 | S  |
| 45. Aira Sugar Factory<br>Lessees Bholanath Seth.<br>P. O. Aira, Dist. Kheri,<br>(Tel. Office at Lakhimpur.)                                       | Khamaria.   | Kheri.        | Lakhimpur,            | R.K.R.            | Barhaj. | 150  | DS |
| 46. *The Hindusthan Sugar Mills Ltd.,<br>M/A. Bachhraj & Co., Ltd.,<br>395, Kalbadevi Bombay,<br>(Tel. Shree - Bombay).                            | Golagokaran-<br>Nath,<br>(Tel. Shree—<br>Golagokaran-<br>nath). | Do.           | Golagokaran-<br>nath, | Do.               | Do.     | 1600 | DS |
| 47. *Rosa Sugar Works & Distillery<br>of Carew & Co., Ltd.,<br>M/A. Lyall Marshall & Co.,<br>4, Fairlie Place, Calcutta.<br>(Tel. Ghat, Calcutta.) | Rosa.<br>(Tel. Carew,<br>Rosa).                                 | Shahjahanpur. | Rosa Jn.              | E.I.R.            |         | 700* | S  |
| 48. *H. R. Sugar Factory, Ltd.,<br>M/D. Raja Radha Raman Sahib,<br>Nekpur, Bareilly.   | Bareilly,<br>(Tel. Sugar—<br>Bareilly).                         | Bareilly.     | Bareilly Jn.          | E.I.R.,<br>R.K.R. | Buxar.  | 750  | S  |

| Name of Factory, with full name<br>and address of Managing<br>Agents or Proprietors.  | Location.                                  | District.     | Nearest Railway<br>Station. |        | Nearest<br>Steamer<br>Station. | Daily cane-<br>crushing capa-<br>city in tons. |    |
|---|--|---------------|-----------------------------|--------|--------------------------------|--|----|
| 49. Khandke Sugar Mills. Ltd.,<br>M/A. D. N. Khandke & Co.,<br>63, Bhandari St. Bombay No. 4.<br>(Tel. Progress—Bombay).                              | Baheri,<br>(Tel. Khandke—<br>Baheri).      | Bareilly.     | Baheri,                     | R.K.R. | Barhaj.                        | 300  | S  |
| 50. *The Kesar Sugar Works, Ltd.,<br>M/A. Kilachand Devchand & Co.,<br>Apollo Street, Bombay.<br>(Tel. Seeds, Bombay.)                                | Do.<br>(Tel. Kesar—<br>Baheri).            | Do.           | Do.                         | Do.    |                                | 1000   | DS |
| 51—52. *L. H. Sugar Factories. and Oil<br>Mills, Ltd., Pilibhit.<br>M/D. Kunwar Krishna Chandra.<br>B. Sc., Sugar Tech. (Hawaii), Pilibhit.           | Pilibhit,<br>(Tel. Crystal—<br>Pilibhit).  | Pilibhit.     | Pilibhit,                   | Do.    | Do.                            | 1750<br>(Double<br>Tandom)                     | S  |
| 53. *Raza Sugar Co., Ltd.,<br>M/A. Govan Bros. (Rampur), Ltd.,<br>Rampur State.   | Rampur,<br>(Tel. Razaco—<br>Rampur State). | Rampur State. | Rampur,                     | E.I.R. | Buxar.                         | 1000   | DS |
| 54. *Buland Sugar Co., Ltd.,<br>M/A. Govan Bros. (Rampur), Ltd.,<br>Rampur State.   | Rampnr,<br>(Tel. Buland—<br>Rampur State). | Do.           | Do.                         | Do.    | Do.                            | 1000   | DC |
| 55. *Upper Ganges Sugar Mills, Ltd.,<br>M/A. Birla Brothers, Ltd.,<br>8, Royal Exchange Place,<br>Calcutta.<br>(Tel. Lucky—Calcutta).                 | Seohara,<br>(Tel. Birla—<br>Seohara).      | Bijnor.       | Seohara,                    | Do.    | Do.                            | 1100   |    |
| 56. *Seth Shiv Prasad Banarsidas Sugar Mills,<br>Prop. Messrs. Shiv Prasad<br>Banarsidas Aggarwal,<br>85, Lake Road, Lahore.<br>(Tel. Bindal—Lahore.) | Bijnor,<br>(Tel. Aggarwal,<br>Bijnor.)     | Do.           | Bijnor,                     | Do.    | Do.                            | 1000   |    |

|   |  |               |                    |          |          |              |                 |
|---|--|---------------|--------------------|----------|----------|--------------|-----------------|
| 57. †The Ganga Sugar Works,<br>M/A. The Ganga Glass Works<br>Balawali, Bijnor.  | Balawali.                                      | Do.           | Balawali           | Do.      | ...      | 100*<br>15/2 | (Cane)<br>(Gur) |
| 58. *The Dhampur Sugar Mills, Ltd.,<br>M/D. Sahu Ram Narain<br>Kothi Bansmandi, Bareilly.   | Dhampur.<br>(Tel. Sugarmills,<br>Dhampur.)     | Do.           | Dhampur,           | Do.      | Buxar.   | 700          |                 |
| 59. †Bhogpur Sugar Factory,<br>M/P. Raja Hari Kishen Caul,<br>& Ishwardas Lakshmidas,<br>Hughes Road, Bombay.   | Bhogpur<br>P. O. Naji-<br>babad.               | Do.           | Najibabad,         | Do.      | Do.      | 50           |                 |
| 60. *Jailakshmi Sugar Co., Ltd.,<br>M/D. Jishnu Lal Esq.,<br>H. O. Doiwala.   | Doiwala.<br>(Tel. Jailakshmi<br>Doiwala.)      | Dehra Dun.    | Doiwala,           | Do.      | Karachi. | 350*         | DC/DS           |
| 61. †*Jwalapur Sugar Factory,   | Jwalapur.                                      | Saharanpur.   | Jwalapur,          | Do.      | Buxar.   | 100          |                 |
| 62. *The Ganga Sugar Corporation, Ltd.,<br>College Road,<br>Rawalpindi.<br>(Tel Gansuco, Rawalpindi.)   | Deoband.<br>(Tel. Sugar<br>Deoband.)           | Do.           | Deoband,           | N.W.R.   | Do.      | 400/600      | DC              |
| 63. *Rai Bahadur Narain Singh Sugar Mills Ltd.,<br>M/D. S. S. Ranjit Singh,<br>2A, Curzon Road, New Delhi.  | Lhaksar.                                       | Do.           | Lhaksar, E. I. Ry. | ...      |          | 1000         |                 |
| 64. *Upper Jumna Swadeshi Sugar Mills,<br>Co., Ltd.,<br>M/A. Hariraj Swarup<br>Debi Prashad Rajendralal & Brothers,<br>Muzaffarnagar.<br>(Tel. Swesugmill—Muzaffarnagar.) | Mansurpur.<br>(Tel. Swesug-<br>mill Mansurpur) | Muzaffarnagar | Mansurpur, N.W.R.  | Karachi. |          | 900/1000     | DS              |
| 65. *Upper India Sugar Mills, Ltd.,<br>M/A. Mitra Mandal,<br>Khatauli.<br>(Tel. Sugar, Khatauli.)   | Khatauli.                                      | Do.           | Khatauli,          | Do.      |          | 1000         | DS              |

| Name of Factory, with full name and address of Managing Agents or Proprietors.   | Location.   | District.      | Nearest Railway Station.   | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |
|--|---|----------------|----------------------------|--------------------------|---------------------------------------|
| 66. *Amritsar Sugar Mills, Co., Ltd.,<br>M/D. Sirdar Amar Singh Saheb,<br>Amritsar (Punjab).<br>(Tel. Refiners, Amritsar)                                | Rohanakalan.<br>P. O. Rohana-<br>mills.<br>(Tel. Sugar<br>Mills, Rohana-<br>kalan.) | Muzaffarnagar. | Rohanakalan,<br>B.N.W.R.   | Buxar.                   | 1000* DS                              |
| 67. *Upper Doab Sugar Mills, Ltd.,<br>M/A. Hariraj Swarup<br>Rajendralal Debi Prasad & Brothers,<br>Muzaffarnagar.<br>(Tel. Swesugmill - Muzaffarnagar). | Shamli.<br>(Tel. Sugarmills<br>- Shamli.)   | Do.            | Shamli, S. S. L. R.        | Bombay.                  | 800/1000 DS                           |
| 68. *The Diwan Sugar Mills<br>Prop. Messrs. Dhanpatmal<br>Diwanchand, Lyallpur,<br>(Punjab).<br>(Tel. Dhanpat, Lyallpur.)                                | Sakhoti-<br>Tanda.<br>(Tel. Diwan-<br>mills,<br>Sakhoti-<br>Tanda N. W.)            | Meerut.        | Sakhoti-Tanda,<br>N. W. R. | Do.                      | 400* DS                               |
| 69. *Daurala Sugar Works,<br>Prop. Delhi Cloth and<br>General Mills Co., Ltd.<br>Delhi.<br>(Tel. Yarn, Delhi.)   | Daurala.  | Do.            | Daurala, N.W.R.            | ...                      | 800*                                  |
| 70. *Jaswant Sugar Mills,<br>Prop. Lala Jaswantraï Churamani, M.A.,<br>Meerut.<br>(Tel. Godfearing - Meerut.)  | Meerut City.  | Do.            | Meerut City, Do.           | Buxar.                   | 400* S                                |
| 71. *Ram Laxman Sugar Mills,<br>Managing Proprietor :<br>R. B. L. Nanakchand,<br>Rais and Millowner, Chawri Bazar Delhi.<br>(Tel. Ensey - Delhi.)        | Mohiuddinpur.<br>(Tel. Sant.<br>Muhiuddinpur,<br>N. W.)                             | Do.            | Mohiuddinpur, Do.          | Do.                      | 600/800*                              |

|   |  |            |                            |         |                 |    |
|---|--|------------|----------------------------|---------|-----------------|----|
| 72. *Modi Sugar Mills, Ltd.,<br>M/A. Rai Bahadur Multanimul & Sons,<br>Patiala.<br>(Tel. Multanimul, Patiala).                                    | Begamabad.<br>(Tel. Modimills<br>Begamabad.)                               | Do.        | Begambad, Do.              | Do.     | 500/700*        | DS |
| 73. *Simbhaoli Sugar Mills, Ltd.,<br>Chairman, Lt. Sardar Raghubir Singh<br>Sandhanwalia, O. B. E.<br>(Tel. Sandhanwalia Simbhaoli, E. I.)        | Simbhaoli.<br>P. O. Eaksar.  | Do.        | Simbhaoli, E. I. R.        | ...     | 400             | DS |
| 74. †The Muradnagar Sugar Works.<br>Prop. M/S. Bhanmal Gulzarimal,<br>Iron Merchants, Chawri Bazar, Delhi.<br>(Tel. Bhanmal—Delhi.)               | Muradnagar.  | Do.        | Muradnagar.<br>N.W.R.      | ...     | 100             | DS |
| 75. †Prag Sugar Works,<br>Prop. Shamlal Pragrain,<br>Rawatpara, Agra.<br>(Tel. Shamlal Pragrain.)   | Kichha.<br>(Tel. Sugar<br>Works,<br>Kichha.)                               | Naini Tal. | Kichha, R.K.R.             | Burhaj. | 800             | DS |
| 76. *L. H. Sugar Factories & Oil Mill, Ltd.,<br>M/D. Kuoar Krishna Chandra,<br>B. Sc., Sugar Tech. (Hawaii),                                      | Kashipur,<br>(Tel. Crystal<br>Kashipur)                                    | Do.        | Kashipur, Do.              | Do.     | 450             |    |
| 77. *The Neoli Sugar Factory,<br>Prop. The Saraswati Sugar<br>Syndicate, Ltd.,<br>4, McLeod Road.<br>P. B. 255, Lahore.<br>(Tel. Sucrose—Lahore.) | Manpore<br>Nagaria,<br>(P. O. Neoli),<br>(Tel. Shervani<br>— Neoli, Etah.) | Etah.      | Manpore-<br>Nagaria. Do.   | Do.     | 450/600         | DS |
| 78. *The Unao Sugar Mills.<br>Lessee, Mr. S. B. Choudhury, B.A.,<br>1, Canal Bank Road, Lahore.   | Unao.  | Unao.      | Unao,<br>E.I.R. & B.N.W.R. | Buzar.  | Gur only<br>75  |    |
| 79. *Kamlapat Motilal Gutaiya Sugar Mills,<br>Prop. Messrs. Kamlapat Motilal<br>P. B. 69, Cawnpore.<br>(Tel. Lalmoti—Cawnpore.)                   | Rawatpur,<br>P. O. Nawab-<br>ganj.   | Cawnpore.  | Rawatpur,<br>B.B. & C.I.   | Do.     | Gur only<br>100 |    |



| Name of Factory, with full name and address of Managing Agents or Proprietors.  | Location.                | District.  | Nearest Railway Station. | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |
|---|--------------------------|------------|--------------------------|--------------------------|---------------------------------------|
| 81. *Cawnpore Sugar Works, Ltd.,<br>Cawnpore refinery<br>M/A. Begg Sutherland & Co., Ltd.,<br>P. B. 21, Cawnpore.<br>(Tel. Begg, Cawnpore.) | Cooperganj.              | Cawnpore   | Cawnpore, E.I.R.         | Buxar.                   | Gur only.<br>73                       |
| 82. Experimental Sugar Factory,<br>Imperial Institute of Sugar<br>Technology.   | Nawabganj.               | Do.        | Rawatpur,<br>B.B. & C.I. | Do.                      | 24*                                   |
| 83. *Amroha Sugar Factory,<br>Prop. The Ganesh Flour Mills Co., Ltd.<br>Delhi.<br>(Tel. Ganesh, Delhi.)                                     | Amroha<br>(Tel. Ganesh.) | Moradabad. | Amroha, E.I.R.           | Do.                      | 300*                                  |

PUNJAB.

|   |   |            |                  |          |     |    |
|---|---|------------|------------------|----------|-----|----|
| 1. Jagatjit Sugar Mills, Co., Ltd.<br>M/A. Narang Brothers & Co., Ltd.,<br>3, Montgomery Road, Lahore.<br>(Tel. Narang—Lahore.)   | Phagwara<br>(Tel. Sugar<br>Factory—<br>Phagwara.) | Kapurthala | Phagwara, N.W.R. | Karachi. | 600 | DC |
| 2. The Phulerwan Sugar & Oil Mills, Ltd.,<br>M/A. Radhakrishna Bros.  | Phulerwan   | Sargodha.  | Phulerwan. Do.   | Buxar.   | 100 |    |
| 3. The Gujranwala Sugar Mills, Co., Ltd.,<br><br>M/A. Narang Bros., & Co., Ltd.,<br>3, Montgomery Road, Lahore.<br>Sing & Co., Ltd., Civil Station,<br>Gujranwala.<br>(Tel. Sugarmills—Gujranwala.) | Rahwali<br><br>(Tel. Sugar-<br>mills—Rahwali)     | Gujranwala | Rahwali, Do.     | .....    | 300 | DS |

|   |   |          |           |     |     |                       |     |
|---|---|----------|-----------|-----|-----|-----------------------|-----|
| 4. †The Bhalwal Sugar Mills, Co., Ltd.,<br>M/A. Capt. Malik Sardarkhan Noon,<br>Tahsil Bhalwal.   | Bhalwal<br>P. O. Sardarpur.                         | Shahpur  | Bhalwal,  | Do. | Do. | 100                   | 8   |
| 5. †The Amritsar Sugar Mills, Co., Ltd.,<br>M/D. Sardar Amar Singh, Amritsar.<br>P. O. Khalsa College, Amritsar.  | Gr. Trunk Road.<br>Amritsar.                        | Amritsar | Amritsar, | Do. | Do. | Gur only.<br>42 tons. |     |
| 6. †The Lakshmi Sugar & Oil Mills, Ltd,<br>M/D. B. Bansidhar Saheb,<br>Chatwind Gate, Amritsar.   | Chatwind Gate,<br>Amritsar.                         | Do.      | Do.       | Do. | Do. | Gur only.<br>400 mds. |     |
| 7. *Saraswati Sugar Mills<br>Prop. The Saraswati Sugar Syndicate, Ltd.,<br>4, McLeod Road, Pt. Kishenlal Building,<br>Lahore.<br>(Tel. Sucrose, Lahore) | P. O. Abdullapur<br>(Tel. Saraswati<br>—Abdullapur) | Ambala   | Jagadhri. | Do. | Do. | 450                   | DC. |
| 8. †Punjab National Sugar Mills.<br>Prop: Messrs. Sk. Mohammad<br>Ismail Maula Bakhsh,<br>Lyallpur.<br>(Tel. Ahmadi, Lyallpur)                          | Lyallpur.   | Lyallpur | Lyallpur, | Do. | Do. | 70                    |     |
| 9. †The Pattoki Sugar Works, Pattoki,<br>The Amritsar Distillery Co., Ltd.,<br>Amritsar.  | Pattoki.  | Lahore.  | Pattoki.  | Do. | ... | 100                   |     |

ORISSA.

|  |       |        |                   |     |  |          |  |
|--|-------|--------|-------------------|-----|--|----------|--|
| 1. Aska Sugar Works & Distillery,<br>Prop. Messrs. Damodar Sahu,<br>and Brothers.<br>(Tel. "Massecuite" Aska.) | Aska. | Ganjam | Berhampur, B.N.R. | ... |  | 100/120* |  |
|--|-------|--------|-------------------|-----|--|----------|--|

| Name of factory, with full name and address of Managing Agents or Proprietors.                                 | Location.   | District. | Nearest Railway Station. | Nearest Steamer Station. | Daily cane-crushing capacity in Tons. |
|--|-------------|-----------|--------------------------|--------------------------|---------------------------------------|
| 2. Jeypur Sugar Co., Ltd.,<br>M/D. G. Subba Rao, B. Sc., C. P. E.<br>(Glasgow)<br>Raya Jhada. (Dist. Koraput.) | Raya Jhada. | Koraput.  | Raya Jhada,<br>B. N. W.  | ...                      | 150                                   |

MADRAS.

|   |   |              |                          |              |          |    |
|---|---|--------------|--------------------------|--------------|----------|----|
| 1. The Vizagapatam Sugars & Refinery Ltd.,<br>Vizagapatam.<br>M/A. Messrs. Andhra Engineering<br>Co., Ltd., Vizagapatam.<br>(Tel. Engineers—Vizagapatam.)     | Thummapala<br>(Tel. Sugars—<br>Anakapalli.) | Vizagapatam. | Anakapalli,<br>M.S.M.R.  | Vizagapatam. | 150      | DS |
| 2. Etikoppaka Sugar Factory,<br>M/A. The Etikoppaka Co-operative,<br>Industrial & Credit Society Ltd.<br>(Tel. Sugar Factory Etikoppaka,<br>Narsipatnam Road) | Etikoppaka.                                 | Do.          | Narasapatam<br>Road. Do. | Do.          | 80       | DS |
| 3. The Sri Rama Sugar Mills, Ltd.,<br>Prop. Raja of Bobbili,<br>Rajah of Venkatagiri, and others<br>Bobbili,<br>(Tel. Sugar—Bobbili.)                         | Bobbili                                     | Do.          | Bobbili B.N.R.           | ...          | 150      | DS |
| 4. The Vuyyuru Co-operative Industrial<br>and Credit Society, Ltd.<br>Vuyyuru.<br>(Tel. Ramakistna, Vuyyur.)  | Vuyyuru                                     | Kistna       | Bezwada, M.S.M.R.        | ...          | 850/1200 | DS |

|  |   |                |                     |            |                      |                        |
|--|---|----------------|---------------------|------------|----------------------|------------------------|
| 5. Sree Ramkrishna Sugar Mills,<br>Prop. Raja Ravu Ram Krishna<br>Ranga Rao Bahadur, Zamindar of<br>Kirlampudi, Bobbili and R.B., C.V.S.,<br>Narsinha Raju Garu, Etikoppaka. | Kirlampudi.                                       | East Godavari. | Samalkot, M.S.M.R.  | ...        | 150                  |                        |
| 6. *The Deccan Sugar and Abkhari Co., Ltd.,<br>M/A. Parry & Co., Ltd.,<br>P. B. No. 12, Madras.<br>(Tel. Parry—Madras.)  | Samalkot,<br>(Tel. Deccan—<br>Samalkot.)          | Do.            | Do.                 | Do.        | Cocanada.            | Gur only C<br>40 tons. |
| 7. *The East India Distilleries and<br>Sugar Factories, Ltd.,<br>M/A. Parry & Co., Ltd.,<br>P. B. 12, Madras.<br>(Tel. Parry Madras.)  | Nellikuppam,<br>(Tel. Distimulo<br>—Nellikuppam.) | South Arcot.   | Nellikuppam, S.I.R. | Cuddalore. | 1000*                | C                      |
| 8. The India Sugars and Refineries, Ltd.,<br>M/A. V. Ramalingam, Esq.,<br>Hospet.  | Hospet, (Tel.<br>Sugars-Hospet.)                  | Bellary.       | Hospet, M.S.M.R.    | ...        | 500*                 | DS                     |
| 9. †Coimbatore Lakshmi Sugar Mills, Ltd.,<br>M/A. G.K.V.R. Co., Podanur.   | Podanur.  | Coimbatore.    | Podanur, S.I.R.     | ...        | 50*                  |                        |
| 10. Al. Vr. St. Sugar Mills and Distillery<br>Prop: Al. Vr. St. Veerappa Chettiar,<br>Zamindar of Devaram, Devakottah.   | Tachanallur.<br>(Tel. Sugarmill<br>Tachanallur).  | Tinnevelly.    | Tinnevelly Jn., Do. | Tuticorin  | Gur only<br>12 tons. |                        |
| 11. T. A. Rm. Lakshmi Sugar Mills,<br>Alwartirunagari.   | Near Lakshma-<br>natope.                          | Do.            | Alwartirunagari.    |            | Gur only.<br>6 tons  |                        |
| 12. ‡The Kalyanpur Sugar Mills, Ltd.<br>Kallianpur,<br>(S. India.)   | Kallianpur.                                       | S. Kanara.     | Mangalore.          | Malpe      | 60                   |                        |
| 13. ‡The Madras Sugars, Ltd.,<br>Malipatti, (N. Arcot).<br>M/A. The Executive Directors,<br>The Madras Sugars Ltd.,<br>6, Woods Road, Mount Road, Madras.                    | Malipatti.  | N. Arcot.      | Malipatti.          | ...        | 50                   |                        |

| Name of Factory, with full name and address of Managing Agents or Proprietors.                           | Location.                           | District.  | Nearest Railway Station. | Nearest Steamar Station. | Daily cane-crushing capacity in tons. |
|--|-------------------------------------|------------|--------------------------|--------------------------|---------------------------------------|
| <b><u>TRAVANCORE STATE.</u></b>  |                                     |            |                          |                          |                                       |
| 1. †The Travancore Sugars, Ltd.,<br>M/A. Vinayaka Kumar & Co.  | Thuckalay.                          | Trivandrum | Trivandrum, S.I.R.       | ...                      | Gur only.<br>15                       |
| 2. †Sugar and General Investment Trust Ltd.,<br>M/A. Chari & Srinivasan, Ltd.<br>11, Mount Road, Madras. | Eramalikkarra<br>(Near<br>Kottayam) | ...        | ...                      | ...                      | 100                                   |

**MYSORE STATE.**

|   |                                       |                 |                |     |         |
|---|---------------------------------------|-----------------|----------------|-----|---------|
| 1. *Mysore Sugar Co., Ltd.,<br>H. O. Santhi Bhawan Seshadri Road,<br>Bangalore<br>(Tel. Mysugar—Bangalore). | Mandya.<br>(Tel. Mysugar,<br>Mandya). | Mysore<br>State | Mandya, M.S.R. | ... | 1400 DS |
|---|---------------------------------------|-----------------|----------------|-----|---------|

**BOMBAY.**

|  |   |                    |  |     |         |
|--|---|--------------------|--|-----|---------|
| 1 *The Kolhapur Sugar Mills,<br>M/A. Shirgaoker Bros.,<br>Shahupuri, Kolhapur.<br>(Tel. Shirgaoker Brothers Kolhapur). | Kolhapur.<br>(Tel. Sugar<br>Mills<br>Kolhapur).             | Kolhapur<br>State. | Kolhapur, M.S.M.R.                         | ... | 400 DS  |
| 2. The Saswad Mali Sugar Factory, Ltd.,<br>M/A. Levy Limited.<br>10, Outram Road, Fort, Bombay.                        | Akluj,<br>(Tel. Malisugar<br>Akluj.)                        | Sholapur.          | { Pandharpur, B.L.R.<br>{ Diksal, G.I.P.R. | ... | 200/250 |
| 3. The Phalton Sugar Works, Ltd.,<br>M/D. Vaman Sridhar Apte, Esq.,<br>315, Girgaum Back Road, Bombay.                 | Pimpalwadi,<br>Phalton State,<br>(Tel. Sakhar—<br>Phalton.) | Satara.            | Lonand, M.S.M.R.                           | ... | 500     |

|  |  |             |                              |                  |          |    |
|--|--|-------------|------------------------------|------------------|----------|----|
| 4. *Kalam Sugar works of<br>Marland Price & Co., Ltd.,<br>M/A. The Premier Construction<br>Co., Ltd.,<br>Phoenix Building, Ballard Estate,<br>Fort, Bombay.<br>(Tel. Hincou—Bombay.)<br>( „ Marsprice—Bombay.) | P. O. Kalam.<br>Via. Baramati,<br>(Tel. Marsprice<br>—Baramati.)                     | Poona.      | Baramati, D.B.R.             | Bombay.          | 600      | DS |
| 5. *The Ravalgaon Sugar Farm Ltd.,<br>M/A. Walchand & Co., Ltd.,<br>Phoenix Building,<br>Ballard Estate, Fort, Bombay,   | Ravalgaon,<br>Nasik, (Tel.<br>Ravalgaon<br>Farm Malegaon<br>Camp.)                   | Nasik.      | Manmad, Do.                  | ...              | 250      | S  |
| 6. *The Belapur Co., Ltd.,<br>Managers, W. H. Brady & Co., Ltd.,<br>Royal Insurance Building,<br>Church Gate Street,<br>Fort Bombay.<br>(Tel. Brix—Bombay.)  | Harigaon,<br>(Tel. Belapur<br>Company—<br>Belapur.<br>G. I. P. Ry.)                  | Do.         | Belapur, Do.                 | ...              | 650      | S  |
| 7. *The Maharashtra Sugar Mills, Ltd.,<br>M/A. M. L. Dahanukar & Co., Ltd.,<br>Shri Krishna Nivas,<br>Kalbadevi Road, Bombay.<br>No. 2.<br>(Tel. Sugarmills—Bombay.)   | P. O. Tilak-<br>nagar, (Belapur.<br>Road),<br>(Tel. Sugarmills<br>—Belapur<br>Road.) | Ahmednagar. | Do. G.I.P.R.                 | Do.              | 900/1000 | DS |
| 8. The Belvandi Sugar Farm Ltd.<br>M/A. M. L. Dahanukar & Co., Ltd.<br>Shri Krishna Nivas,<br>Kalbadevi Road, Bombay.<br>No. 2.<br>(Tel. Design—Bombay),   | P. O. The Bel-<br>vandi Sugar<br>Farm.<br>(Tel. Sugarfarm<br>Belvandi G. I. P.)      | Do.         | Belvandi, Do.                | Do.              | 200/250  | DS |
| 9. The Gaekwar Sugar Works &<br>Distillery,<br>Prop. Messrs. Shivchandrai Radhakisan<br>P. O. Gandevi,<br>Dst. Surat.  | Gandevi.   | Baroda      | Gandevi, G.B. Ry.            | Billimora Bunder | 250      |    |
|  |  |             | Billimora B.B. &<br>C.I. Ry. |                  |          |    |

| Name of factory, with full name and address of Managing Agents or Proprietors.   | Location.   | District.             | Nearest Railway Station.      | Nearest Steamer Station. | Daily cane-crushing capacity in tons. |
|--|-------------|-----------------------|-------------------------------|--------------------------|---------------------------------------|
| <u>SIND.</u>   |             |                       |                               |                          |                                       |
| 1. *The Pioneer Sind Sugar Mills, Co., Ltd.,<br>M/A. Mohatta & Co., Ltd.,<br>Wood Street, Karachi.<br>(Tel. Sindsugar—Karachi) | Pritamabad. | Nawabshah             | Khadro, Jodhpur<br>State Rly. | ...                      | 300 DS                                |
| <u>CENTRAL INDIA.</u>  |             |                       |                               |                          |                                       |
| 1. The Jaora Sugar Mills,<br>Proprietor, Kaluram Govindram,<br>Jaora (C. I.)<br>(Tel. Kaluram Govindram—Jaora.)                | Jaora.      | Jaora State.          | Jaora.<br>B. B. & C. I.       | Bombay.                  | 450/600                               |
| 2. Bhopal Sugar Industries,<br>(Prot. The Economic Adviser,<br>Govt. of Bhopal)  | Sehore.     | ...                   | Sehore.                       | ...                      | 7500                                  |
| <u>RAJPUTANA.</u>  |             |                       |                               |                          |                                       |
| 1. Sri Ganganagar Sugar Mills Ltd.<br>M/A. Seth Sunder Singh.  | Ganganagar. | Bikaner state.        | ...                           | ...                      | 600 DS                                |
| 2. †Mewar Sugar Factory of Karera<br>M/A. Ramkrishnadas Chandiprasad<br>136, Cotton Street, Calcutta.                          | Karera.     | Udaipur               |                               |                          |                                       |
| 3. †The Scindia Sugar Mills Ltd.,<br>Dabra (Gwalior),<br>M/A. Ladha Singh Bedi & Sons Ltd.,<br>4, Dalhousie Sq. E. Calcutta.   | Dabra       | Gwalior               | Dabra, G. I. P.               | ...                      | 750 DS                                |
| <u>HYDERABAD. (Deccan)</u>   |             |                       |                               |                          |                                       |
| 1. The Nizam Sugar Factory, Nizamabad<br>M/A. Raja Dhanrajgirji<br>Gyan Bagh Hyderabad (Deccan)                                | Bodhan.     | Hyderabad<br>(Deccan) | Nizamabad<br>(Nizam St. Rly.) | ...                      | 1000                                  |

N. W. F. PROVINCES.

- |   |             |         |     |     |          |
|---|-------------|---------|-----|-----|----------|
| 1. †The Frontier Sugar Mills &<br>Distillery Limited,<br>M/A Dhooper & Co.,<br>Mardan. N. W. F. Provinces<br>and Hazro (Dist. Attock) | Takhat Bai. | Mardan. | ... | ... | 800/1000 |
|---|-------------|---------|-----|-----|----------|

BURMA.

- |   |   |                        |                       |          |          |        |
|---|---|------------------------|-----------------------|----------|----------|--------|
| 1. *The Sahmaw Sugar Factory of the<br>Burma Sugar Co., Ltd.,<br>M/A Finlay Fleming & Co.,<br>Merchants St. Rangoon.<br>(Tel. Cloberfeld Rangoon.)  | Sahmaw.<br>(Tel. Shortis—<br>Sahmaw).                     | Mytkyina.              | Sahmaw, Burma<br>Rly. | ...      | 700      | DS.    |
| 2. †New Burma Amrit Sugar Mills, Ltd.,<br>M/A. Amritlal Ojha & Co.,<br>(Burma) Ltd.,<br>619, Merchant Street,<br>Rangoon.<br>(Tel. Ojhaco—Rangoon.) | Hninpale,<br>P. O. Bilin.<br>(Tel. Amrit<br>Sugar Works.) | Thaton,<br>(L. Burma.) | Hninpale.             | Do.      | ...      | 400 DS |
| 3. *The Zeyawadi Sugar Factory Ltd.,<br>M/D. Chandradeva Prakash Sinha, Esq.,<br>Zeyawadi (Burma.)<br>(Tel. Prakash, Rangoon.)                      | Zeyawadi.<br>(Tel. Sugar<br>Zeyawadi).                    | Toungoo.               | Zeyawadi.             | Rangoon. | 800/1000 | DS     |



**PROVINCIAL DISTRIBUTION**  
OF  
**SUGAR MILLS IN INDIA**  
(1937-38).

| Province.                        | Cane<br>Factories. | Gur<br>refineries<br>Only. | TOTAL. |
|----------------------------------|--------------------|----------------------------|--------|
| Bengal ... ..                    | 11                 | ...                        | 11     |
| Bihar ... ..                     | 37                 | 1                          | 38     |
| United Provinces ... ..          | 80                 | 3                          | 83     |
| Punjab ... ..                    | 7                  | 2                          | 9      |
| Madras ... ..                    | 10                 | 3                          | 13     |
| Bombay ... ..                    | 9                  | ...                        | 9      |
| Central India & Rajputana ... .. | 5                  | ...                        | 5      |
| Other Provinces & States ... ..  | 5                  | 1                          | 6      |
| TOTAL ... ..                     | 164                | 10                         | 174    |

Burma ... .. 2                      1                      ...                      3

No. of factories (including Gur Refineries) actually working in the season 1937-38 was (about)                      144

No. of Factories (including Gur Refineries) that did not work during the season 1937-38 (Factories under construction included).                      ...                      30

Total No. of factories within the membership of the Indian Sugar Mills Association (on 1st July, 1938)                      ...                      ...                      ...                      114