Chapter Three

Cotton Related Trade and Marketing

Introduction
The Indian cotton markets received an impetus after the Industrial Revolution in England. As the demand for raw material for the textile industry increased, Britain imported cotton from the United States of America and even large quantities of best Indian Cotton (Tinnevelly Cotton). The directors of the East India Company demanded report on the conditions of cotton cultivation in the principal districts of the Madras presidency especially Thoothukudi. In order to promote their own commercial interest, they encouraged cotton cultivation in Thoothukudi. Better variety of seeds and saw gins were imported in India from the United States. As a result cotton cultivation in India made remarkable progress.

The price of raw cotton in Thoothukudi was less dependent on the local demand and supply than on the requirements of other cotton manufacturing countries. America had been the largest producer to a great extent and controls the cotton markets of the world. Any decrease in the supply of American cotton had invariably resulted in high prices for Thoothukudi cotton. During the American War of 1812-1814 and again during the Civil War of 1862-1866, the prices of Thoothukudi cotton rose to 17 and 14 pence per pound respectively. The poor American crop of 1909 rose to 6 ½ pence a pound, notwithstanding the fact that the Indian crop was one of the largest on record, had been estimated at 4 ½ million bales.

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200 Report and documents connected with proceedings of the East India Company, Madras Presidency, Madras, 1900, p. 67.
201 Pence means yard measurements of quantity 10 yards = 1pence
The bumper crop of Thoothukudi was utilised in meeting the increased demands of Europe and Japan due to the American failure. The mill consumption of the raw material in Great Britain, America, and India and on the Continental country had increased enormously within the years 1880 to 1900, while there had been no proportionate increase in the production. The continued high prices due to the shortage of supplies, was one of the most important of the economic problems with which the industrial world was faced that day. The demand for cotton cloth from 1860 to 1900 had increased so fast that the quantity of the raw material required had doubled in each period of about twenty two years.

The reasons were manifold. Increase of population development in transport and communication, improvement in the living condition of the people and modern trends caused for the demand on fibre. The increase of population resulted in the shortage of the raw fibre and it would be permanent unless the prevailed cotton producing area of the world has been increased. Due to the shortage of fibre, prices of cotton largely increased. 203 Thoothukudi had a steady trade with America, Europe, and South East Asia. The trade with these Continents consisted of exports of raw cotton, cotton piece goods and imports of cotton piece goods and colour twist and yarn. At the same time, the establishment of railroads and steamship operations played a vital part in cotton trade developments. 204 With the introduction of several varieties of cotton and the consequent increase in cotton production, cotton assumed

great importance as a commodity of commerce both internally and externally. Its price changed according to its demand and supply.\textsuperscript{205}

The value of cotton depended on its strength, fineness, softness and quality of fiber. The quality of cotton was indicated by its colour and cleanliness. The long staple cotton enjoyed good market because it was more profitable than short staple cotton. The increasing use of long staple cotton in Thoothukudi industries helped the commercial development of such varieties.\textsuperscript{206}

**Local Cotton Trade Customs**

In Thoothukudi, many local trade customs existed. Among them, three systems in local marketing were notable, buying entirely through dealers forming an association, who guaranteed the buyer against adulteration, buying through dealers who gave no guarantee, but merely acted as brokers for the seller, and buying partly through dealers and partly from the ryot directly. The first system did not satisfy both the buyers and the ryots because they were at the mercy of the dealers. The second system was unfavourable to the ryots and the buyers. The third system was directed in selling of cotton and hence petty brokers could not get commission.\textsuperscript{207}

**Method of Cotton Trade**

In the beginning of the twentieth century, few methods of trade were followed in the system of marketing. There were forward contract, indirect dealing, direct dealing, pressed bale system and loose bale system. Forward contract enabled

\textsuperscript{205} N.V. Sovani., *The International Position of Indian Raw Materials*, Madras, p. 18.
\textsuperscript{206} Ibid, p. 33.
the buying firm to make fairly certain that whatever condition prevailed, they had a share of the crop even before it came into the market. In fact, this system was a direct encouragement to the dealer in cotton to mix, as little as possible of a good quality, with as much as possible of a poor quality, in order to get a big lot of lint.

The method indirect dealing, contacted the firm and the producer through the agency of the middlemen and the dealers. Advantage of this system was that the firm dealt with only a few reliable men who were responsible for the supply of large qualities of cotton. The disadvantage of this was to place the dealers in a position which would permit them to hold up cotton and prevent a firm from getting any, if they so desired. In the direct dealing method, of the firm and the ryot were directly connected with each other. It was not always easy to get at the ryot if he happened to fail to fulfill his contract. It was an advantage of this system. But the defect was that it was easier to get at the truth about the quality of the cotton from a ryot than from a dealer and that a good connection could be built up among the ryots who could gain more by limitation of false weights.

In the pressed bale system, the firm did not pay for the cotton until it had been cleaned. The defect of this system was that the firm had business contact only with the dealers and not with the ryots. In the loose bale system, the buyer need not bale a lot of small quantities separately and the seller had not to wait until pressed was over. The disadvantage of this system was that the buyer had to take the risk of foreign materials being added to make up weight. There were many defects in

marketing. As a greater or lesser proportion of the crop was bound before the actual season began the seller had to go to a buyer instead of the buyers to the seller, the prevalence of mixing was a great defect, in the case of pressed bale system, there was delay in setting business. Mixing was too common a stealthy practice.

**Improvement of Cotton Forecast**

Speaking generally, the government forecasts had mostly been unreliable and rather late to be of much use to trade. The acreage figures, to start with, had to be available sooner and not, as was very often the case, when the crop actually began to move already. To obtain more or less accurate forecasts from officials, who had not the time to give, it could not be expected. The most reliable estimates were available from the village headmen, who however, for revenue reasons, were likely to underestimate.

The next best medium was the Revenue Inspector and the Agricultural Circle Inspector. If these officials were trained to the job and kept in the same circle for some years, they ought to have been able to submit estimates which might have had some claim to accuracy, provided they had the opportunity to check them from season to season. Experience and knowledge of the yield for each season for their respective circles were essential. Cooperation with private firms who made their own enquires into crop conditions would have probably helped further in the compilation of accurate forecasts. The data so collected made available sooner than was the case now by publication in the official gazette, perhaps by leaflets, to which interested
parties could subscribe to cover expenses.\textsuperscript{210} Then, the forecast, which was being published, had not found its way into the hands of the traders. The same was more or less an official record for government only. It was suggested that figures, such as acreage, yield, etc., may be collected for each taluk separately and published from time to time during the cotton season.\textsuperscript{211}

**Standardization of Commercial Cotton Names**

The Commercial names of the various grades of cotton were *Tinnevelly* cotton famous from Madurai, Ramanathapuram Tirunelveli districts, *Uppam* cotton famous from Trichirapalli and Coimbatore districts, *Karunganni* cotton famous from Ramanathapuram, Tirunelveli districts and Coimbatore district, and *Cambodia cotton* famous from Madurai, Ramanathapuram Tirunelveli districts and Coimbatore districts. These were known by their respective names given and there was no need for any change.\textsuperscript{212}

**Attitude of Buyers to Improved Cottons**

No sooner were improved cotton available in marketable quantities than buyers, in that experience, had been very keen to encourage cultivators. The facts that, in Thoothukudi district, Rs. 10 to Rs. 16 per 500 lbs. had been paid as

\textsuperscript{210} The Indian Cotton Committee, Minutes of Evidence, Vol: V, Commerce, Part II, Calcutta, 1920, from A. Zollinger, Agent, Messrs. Volkarts Bros., Tuticorin, Examined at Tuticorin, March 11\textsuperscript{th}, 1918., Written Statement, Agricultural Experience, p. 58.

\textsuperscript{211} The Indian Cotton Committee, Minutes of Evidence, Vol. V, Commerce, Part II, Calcutta, 1920, from S. Shiota, Agent, the Japan Cotton Trading Co., Ltd., Sattur, Examined at Tuticorin, March 12\textsuperscript{th}, 1918, written statement, Commercial Aspect, p. 63.

premium for improved cotton over ordinary Tirunelveli might serve as an example.\textsuperscript{213}

Then, actually a premium of Rs. 10 to Rs. 16 had been paid per 500 lbs. cotton over Tirunelveli for Karunganni, which was usually long staple cotton.\textsuperscript{214}

\textbf{Cotton Adulteration}

The dirty areas in which Thoothukudi cotton exported had long been a cause of complaint among English mill-owners. The ryot, it was said, generally sowed his cotton broad-cast as a mixture with three or four other crops. He seldom did any weeding and did not start picking till all the bolls had matured. The fallen cotton mixed with earth and leaf was then mixed with the clean cotton picked from the plants. The broker added to his profits, as middle-man between the ryot and exporter, by adulterating his purchases with cotton seed, earth and water. The exporter, who was directly interested in getting cotton of good quality, was stationed in one of the big marts, and never came into direct touch with the producer. Under these conditions the quality of Thoothukudi cotton became a by word among English mill owners, and the general opinion was that Thoothukudi cotton would never be used in English mills except as a make shift in the event of a shortage in the American supply; for not only was it dirty, but the staple was as a rule shorter, coarser and less uniform than that of America.\textsuperscript{215}


**Cotton Marketing**

Cotton marketing played an important role in determining the success or failure of any economic enterprise in cotton trade. The productive effort became ineffective, if the cotton goods produced did not find their way to those who need them. The process of cotton marketing included the activities of all persons engaged in transferring cotton goods from the producer to the consumer through various channels. While cotton ranks was fifth in value of the annual agricultural products, yet it was generally given place in the agricultural commerce. It was a crop which cannot be consumed on the farm, and therefore, 100 per cent of it moved into the channels of trade. About one half of the crop was exported, this part of the crop alone being worth about a half billion dollars. This made cotton rank ahead of grain and flour exports in value (or close to them), and ahead of meat exports. Like cotton was an international crop; was a standardized, commodity, with price determined in the world’s market.\(^{216}\)

**Harvesting and Marketing Seasons**

Owing to varying soil and climatic conditions of the different cotton tracts and the differing maturation habits of the varieties grown, the sowing and harvesting seasons vary from tract to tract. Taking the country as a whole, the sowing season extends from April to November, and harvesting took place all throughout the year. As a result of the long picking period, the marketing season lasted from October to August. There was a cotton crop ready for sale practically throughout the year.

bulk of the crop, however, moved into the markets between October and May.\textsuperscript{217} The normal sowing, picking and marketing seasons of the Tirunelveli, Karunganni and Cambodia cotton growing in the Thoothukudi areas are below:

<table>
<thead>
<tr>
<th>No</th>
<th>Cotton Variety</th>
<th>Sowing season</th>
<th>Picking season</th>
<th>Marketing seasons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tinnevelly</td>
<td>Oct – Dec</td>
<td>Mar – Aug</td>
<td>April – December</td>
</tr>
<tr>
<td>2</td>
<td>Karunganni</td>
<td>Oct – Dec</td>
<td>Mar – Aug</td>
<td>April - December</td>
</tr>
<tr>
<td>3</td>
<td>Cambodia</td>
<td>Sept – Oct</td>
<td>April - July</td>
<td>May – January</td>
</tr>
</tbody>
</table>


\textbf{Market Grades of Cotton}

The value and the use of the cotton depend primarily upon the length, strength, and fineness of the fiber. The factors that determine the grade and the factors that determined the value were almost but not quite the same. Cotton was classified according to grade, according to length of staple, according to character. The factors that determined the grade are these foreign matter or impurities such as leaf, dust, sand, water, and cut seed, color and efficiency of the ginning. The whiteness or color of the cotton was affected by the weather and the soil. Early pickings were generally white. Yellow tinged, yellow stained and blue colors were defects which were of decided importance in grading. Inefficiency in ginning might cause nep (small white dots) or gin cut staple. Cut fiber made bunches or knots.\textsuperscript{218}

The principal services included in the cotton marketing process were the following:

\textbf{1. Assembling}


\textsuperscript{218} James E. Boyle., \textit{op.cit}, p. 289.
The cotton commodity must be collected from the local cotton producer and assembled in bulk, so that the subsequent processes may be cheaply and effectively carried out on a large scale.

2. **Grading**

   The cotton commodity produced must be sorted out into grades of different cotton quality or into classes prescribed to satisfy different types of consumers.

3. **Processing**

   The raw cotton commodity produced on the farm often needed processing and manufacture before being supplied to the consumer.

4. **Storing**

   The cotton commodity might be stored in adequate quantities in order to ensure a regular supply throughout the year.

5. **Risk covering**

   Someone might be prepared to bear the risk of price fluctuations between the time when the cotton commodity leaves the producer and the time that it reaches the consumer.

6. **Transportation**

   The cotton commodity might be transported from the place of assembly to that of final sale.

7. **Distribution**

   Arrangements might be made for the actual sale to the consumer.
These services were performed by a number of European cotton agencies in Thoothukudi, each of them often specialising in a particular task. Efficient cotton marketing reduced the period between the production and consumption of a cotton commodity as well as the cost of the cotton marketing processes. The services of modern cotton marketing were often regarded as parasitic on the ground that the subdivision of functions had been carried too far, unnecessarily lengthening the period between production and consumption, and increasing the cost of distribution, thereby making the commodity and its products more costly. It might not, however, be forgotten that most of these services were essential to the successful marketing of the commodity and that the rendering of these services was much more difficult and complex than was commonly believed. 219

The staple length of cotton was more important in determining value than was its grade. The general divisions were long and short staples. By custom the dividing line was 1 1/8 inches; cotton of that length and longer was long staple cotton, extra staple cotton, staple cotton, extra staple, or staples. Shorter lengths were referred to as short staple cotton or short cotton. An additional sixteenth of an inch in length of staple usually added more to the market value of staple cotton than did the difference of a grade in its classification. 220

Of almost importance with grade and staple in value determination was character. Character had to do with the strength, body, uniformity, and

219 B. L. Seth., op.cit, pp. 110 – 111.

220 James E. op.cit, p. 289.
smoothness of the fibers. The cotton classer judges character by the feel, the “break,” and the “drag”.

The body of the cotton was important in spinning. It was believed that the diameter and degree of spiraled of fibers were elements of body. Linters comprise the short fuzz which adhered to the American Upland cotton and many other species of cotton seed after the first ginning. This fuzz when removed was used mainly for stuffing mattresses, wadding, absorbent cotton, for mixing with shoddy, felt, low–grade yarns, and paper products. It was also used in making guncotton, smokeless powder, varnishes, celluloid, collodian, photographic films, and artificial silk. The yield of linters ran about 54 pounds per ton of seed.

Marketing Problem of Cotton

After the farmer produced the cotton in Thoothukudi, he took it to the nearby ginning factories, where it was ginned and baled. When he decided to sell the cotton, it was taken to the nearby cotton pettaí, where it was offered for sale. The indigenous merchant or street buyer cut a hole through the burlap into the side of the bale to obtain a sample. This was examined for the purpose of determining its grade. A price was offered which was based on the price registered in the large Thoothukudi cotton market, less the profit to the merchant or street buyer and shipping charges to that center. The indigenous merchant or street buyerships the cotton to the larger cotton firms located at in and around Thoothukudi markets, or directly to the Thoothukudi port, where it was graded and classed into lots having the same grade,

length, and strength of staple, etc., so as to meet the needs of the various consumers.\textsuperscript{222}

At this juncture, brokers representing spinners, exporters and other buyers, enter. The brokers and exporters, knowing the special types of cotton which their clients had to obtain in order to be able to produce their special products, buy only the cotton which fulfilled the above needs. Inasmuch as certain cotton tracts which had well known climatic and soil conditions produce cottons usually having a staple characteristic of the cotton tracts, the brokers and exporters know the concentration points which usually had the cottons to suit their special needs. These brokers, exporters, and other buyers kept in constant telegraphic communication with the Thoothukudi cotton markets so as to obtain the latest news of the prices which were registered in the large exchanges, Thoothukudi, Kovilpatti, Virudhunagar, and Sankarankovil cotton markets.

The prices offered for the cotton at these local markets, of course, were the equivalent of what the cotton would be worth at these large markets, less the broker’s commissions and transportation charges. If the cotton was bought by the spinner’s broker, it had been shipped directly to the spinner, where it has been manufactured into the various products.\textsuperscript{223}

If, on the other hand, the cotton was bought by an exporter, it had been compressed in order to save shipping space and freight, and shipped to foreign ports. At the foreign ports the cottons were again re-classed in lots having the same grade

\textsuperscript{222} James E. Boyle., \textit{op.cit}, p. 290.

\textsuperscript{223} James E. Boyle, \textit{op.cit}, p. 291.
and staple the spinner’s brokers came to these ports, where which had the opportunity to buy the special types of cotton needed by their clients. The cotton might be delivered directly to the spinner, or might be stored in the large warehouses at near the Thoothukudi ports.\textsuperscript{224}

The above description of cotton marketing given the general methods pursued, but there were many variations from the above plan. In later years the producers in many places and states had been forming cooperative selling associations which were performing the functions of the local buyers as well as those of the dealers in the concentration points. These associations were now providing for the warehousing, grading, and classing of the cotton into lots of similar qualities so as to be able to deal directly with the spinners, brokers and exporters. This change was a result on the part of the farmers trying to put an end to some evil practices which had sprung up in the cotton trade, such as pooling out of the cotton territory by the large dealers, under grading of the cotton, and failing to pay for extra length of staple. This change had an educational value for the producers, as they had been become well acquainted with the demands of the market.\textsuperscript{225}

As stated above, all of the markets of Thoothukudi were connected by means of communication so that traders of all kinds were kept informed as to the supply and demand in each market. Traders had found out that the best way to obtain this information was to keep in touch with the large future markets of Thoothukudi, the largest of which were Thoothukudi, Kovilpatti, Virudhunagar, and Sankarankovil.

\textsuperscript{224} Manchester Guardian Commercial, “European Reconstruction”, Dated, 26\textsuperscript{th} April, 1923, p. 1.

\textsuperscript{225} James E. Boyle, \textit{op.cit}, p. 291.
markets, which act as clearing houses of information, and also serve as places for the sale and purchase of further contracts. 226

The further contract was a method which had been worked out on the part of producers, traders, and manufacturers to lessen the risks and to form a cheap means of insurance for further operations. It was on the further markets that the producers, traders of all kinds, and spinners registered their estimation of what the price of cotton had been at a further date. These estimates were based on all the information which was available at the time on the supply and demand factors of the entire world. The further markets might be used by speculators for speculative purpose, but ordinarily cotton producers and manufacturers use them for the purpose of hedging their operations against loss. Thus a cotton producer who wishes to insure himself against loss as a result of a drop in price may sell a “hedge” against the crop producing; while, on the other hand a manufacturer wishing to insure him against a rise in price of cotton wished to secure to fill his orders, buy a “hedge” on cotton.

The indigenous buyers who wished to secure only the commission for buying the cotton, had their brokers sell hedge against the cotton as fast as they buy. Then as soon as their “spot” cotton was sold, they brought back the hedge. This insures them against loss and enables them to make their commission on all cotton handled. 227 From the above, it had been seen that there was a close relationship.

226 Item.,
227 James E. Boyle, op.cit, p. 291.
between the cash and further prices for cotton, and this accounts for the fact that traders kept in such close touch with the further markets.\textsuperscript{228}

**Commercial Chambers and Associations**

In promoting the cotton trade, the Commercial Intelligence Department and Chamber of Commerce and several regional associations played a vital role. The Commercial Intelligence Department came into existence in 1905.\textsuperscript{229} It was responsible for the collection and dissemination of commercial information. The department was also responsible for making a convenient link between the business community and the Government of India.

Since the Commercial Intelligence Department was started for commercial development, it answered cotton trade enquiries and encouraged cotton trade introductions (new cotton trade). It also published the statistics and other informations of commercial value in the Indian Trade Journal. There were commercial organizations like Chamber of Commerce at Madras, Bombay and Calcutta. They were closely connected with cotton mills. The Madras Chamber was founded in 1836.\textsuperscript{230} Its aim was to protect the interest of cotton trade.

The Madras Trades Association, established in 1856 also had a similar object.\textsuperscript{231} In order to facilitate the commercial growth in all parts of the Madras Presidency, chambers of Commerce were started in trading centres. In 1906 the

\textsuperscript{228} Item.,
\textsuperscript{230} C.W.E. Cotton., *op.cit.*, p. 32.
\textsuperscript{231} Ibid. p. 41.
Thoothukudi Chamber of Commerce was founded.\textsuperscript{232} Madras and Thoothukudi were the two important ports through which cotton was exported to foreign countries.\textsuperscript{233}

**Commercial Development of Cotton**

In the beginning of the twentieth Century, the cotton trade made considerable progress. This was due to the increase of acreage of cotton from 4\% to 8\%,\textsuperscript{234} increase in the number of cotton mills from 10 during 1901 – 1902 to 20 mills during 1909 – 1910\textsuperscript{235} and growth of ports like Madras and Thoothukudi. During 1899 – 1900, his Excellency Sir Arthur Elibant Havelock, the Governor of Madras Presidency, encouraged the cotton trade. Hence the foreign trade in cotton during the year was to the tune of 6.5 lakhs in raw cotton and 5.5 lakhs in cotton piece goods. In general, there was an increase of 6.31\% in the export of raw cotton.\textsuperscript{236} There was also an increase of Rs. 39.25 lakhs in the value of cotton exported to Japan, United Kingdom, Belgium, China, Hungary, Germany and Italy. Of these countries, Japan was the largest market for Indian Cotton.\textsuperscript{237}

While cotton exports increased the trade in cotton twists and yarn was decreased by 22.28\% in quantity and 21.77\% in value. The decrease was chiefly in the exports to China during the second half of the year 1899 – 1900. Owing to the rise in the price of cotton, the imports of cotton piece goods from United Kingdom, Bombay and Bengal increased by 23.25 lakhs. The imports of Indian articles were

\begin{itemize}
\item \textsuperscript{232} Report of Indian Cotton Committee of 1919, Calcutta, 1920, p. 75.
\item \textsuperscript{233} C.W.E. Cotton., \textit{op.cit}, p. 56.
\item \textsuperscript{234} C.J. Baker., \textit{Indian Rural Economy in TamilNadu Countryside}, New Delhi, 1984, p. 149.
\item \textsuperscript{235} Annual Administration Report of Madras Presidency during the years1901 – 1902 and 1913 – 1914.
\item \textsuperscript{236} Annual Administration Report of Madras Presidency during the years, 1899 – 1900, p. 1.
\item \textsuperscript{237} Ibid, p. 2.
\end{itemize}
decreased by Rs. 5 lakhs and those of foreign article increased by 4 lakhs in value, though the quantity was less. This was due to high price of cotton in the latter half of the year. The net result was a decrease of one lakh in the value of the total imports.  

Though there were ups and downs, the price of cotton was high and hence the total value of cotton produced during 1899 – 1900 amounted to Rs. 8,80,000. The value of ‘cotton piece goods’ exported during 1899 – 1900 was Rs. 81,08,144 while during 1900 – 1901 it had increased to 1,00,00,045.

The imports during 1899 – 1900 were worth Rs. 1,84,64,131. In the succeeding year imports of ‘twist and yarn showed a decrease in quantity. Still due to high price of cotton, total value of imports showed an increase. Of the total quantity, 66% was imported from United Kingdom and 32% from Bombay.

During the year 1903 – 1904 the imports of cotton yarn and textile fabrics decreased while the exports of cotton goods increased. But in the succeeding year, the imports of cotton yarn and textile fabrics increased because of the development of cotton markets. In 1907 – 1908, the export of raw cotton increased to Rs.117.66 lakhs. During the year 1910 – 1911, under the foreign trade, the imports of cotton yarn and twist increased further.

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239 Annual Administration Report of Madras Presidency during the years, 1900 – 1901, p. 1.
240 Annual Administration Report of Madras Presidency during the years, 1900 – 1901, p. 2.
241 Annual Administration Report of Madras Presidency during the years, 1903 – 1904, p. 60.
242 Annual Administration Report of Madras Presidency during the years, 1904 – 1905, p. 60.
243 Annual Administration Report of Madras Presidency during the years, 1907 – 1908, p. 55.
244 Annual Administration Report of Madras Presidency during the years, 1910 – 1911, p. 55.
trading activities were regulated in three ways such as trade by road, rail borne cotton trade, and sea borne cotton trade.

**Cotton Trade by Roads**

Of the chief essentials to road transport were suitable roads and bridges, suitable carts and other means of conveyance, animal carriers (before the era of steam power). Of these, the second and the third were of comparatively little importance in that they had not been serious obstacles to the development of transport and had not greatly taxed human ingenuity and endeavour in any part of the country.245

**Construction of First Road**

Road from Palayamkottai to Thoothukudi, Rs. 67,361, this estimate provided for constructing a new road from Palayamkottai to the seaport of Thoothukudi, called “Great Cotton Road” altogether a distance of about 32 miles.246

A good cart road from Palayamkottai to Thoothukudi the principal port of the district, was becoming more and more necessary, as large quantities of cotton for export passed by this road to the coast, and the greater proportion of the cotton goods imported into Tirunelveli found its way into the interior by the same route, which was also used by travellers to and from Sri Lanka.

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The line was chiefly over black cotton soil, intersected by numerous streams; it was exceedingly difficult, and at times impassable, some of the streams being un-fordable when swollen by the monsoon rains and both foot passengers and carts were often detained by them. No money had been spent on this line for ten years, and it could not be called more than a mere track.\textsuperscript{247}

The estimate for the whole 32 miles amounts to Rs. 67,361, being about Rs. 2,072 per mile. The value of the road might be judged of by the accompanying table showing the export and import trade of the port of Thoothukudi for ten years from Fusly\textsuperscript{248} 1252 to 1261. The annual value of the exports dutiable and not dutiable during the ten years, averaged Rs. 13,64,279; and there was a decided and continued increase, for while the average of the first five years was Rs. 11,06,896, that of the second was Rs. 16,23,661.

The yearly value of imports during the same period averaged Rs. 69,364; and here also there was a decided process of increase. The falling off in the duty on exports observable after Fusly 1257 was entirely attributable to the removal of the duty on cotton, the export of which had been found from column 5 had increased much subsequently.

A return of the description and extent of the annual traffic carried on between Thoothukudi and Palayamkottai had also been furnished by the collector, who anticipated that the traffic had been much augmented when the new line came

\textsuperscript{247} Budget of Public Work in the Madras Presidency for the official year 1856 – 57, submitted to the Government of India with a report on the new project of magnitude included in Madras, 1856, p. 29.

\textsuperscript{248} Fusly means Agricultural areas.
into operation, as it had been afford cheap communication between the fertile tracts bordering the Tamirabarani and Chithar river and the port of Thoothukudi, thus enabling the ryots to export their surplus cotton.\textsuperscript{249}

**Budget Estimation of Thoothukudi to Palayamkottai Road**

<table>
<thead>
<tr>
<th>Place</th>
<th>Description of work</th>
<th>Estimated Cost</th>
<th>Estimated time required for completion</th>
<th>Estimated Expenditure in 1856 – 57.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tinnevelly</td>
<td>Communications Construction a new line of road from Palayamkottai to the Port of Thoothukudi</td>
<td>67,361</td>
<td>1 ½ years</td>
<td>44,000</td>
</tr>
</tbody>
</table>

**Sources:** Budget of Public Work in the Madras Presidency for the official year 1856 – 1857, submitted to the Government of India with a report on the new project of magnitude included in Madras, 1856, Statement No. 1, p. 40.

**Sanction of the Road in and around Thoothukudi in 1855**

<table>
<thead>
<tr>
<th>Place</th>
<th>Description of work</th>
<th>Estimate Sanctioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thoothukudi</td>
<td>Communication 1. Constructing a portion of road No. 4 from Madurai to Palayamkottai between Sattur and Virudupatty 2. Constructing a portion of the same road between Gangaikondan and shady khan’s chathiram</td>
<td>By whom Date</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Govt. Oct 30, 1855</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Govt. Oct 30, 1855</td>
</tr>
</tbody>
</table>

3. Constructing a jetty 300 feet long at the port of Thoothukudi


The above returns showed that the Tirunelveli district possessed 814 miles of metalled road. From Tirunelveli and Palayamkottai, which lie together with every centre of the cotton markets in and around Thoothukudi, main routes radiated in all directions. Following the direction of the hands of a clock, these are the roads:

1. To Ambasamudram and Tenkasi, with a branch to Papanasam.
2. To Ravanasmudram (Joining No. 1).
3. To Tenkasi via Alangkulam and from Tenkasi to Quilon (Travancore) and Sivagiri.
4. To Sankaranarayanarkovil (Srivilliputtur to Madurai).
5. To Kovilpatti (Tirunelveli to Madurai).
6. To Sivalapperi, Ottappidaram and Vilathikulam.
7. To Thoothukudi (branching from No. 8).
8. To Tiruchendur.
9. To Nanguneri, Panagudi (and Nagercoil, Travancore). ²⁵⁰

Besides, there were the important trunk roads connecting Thoothukudi with the black cotton country and a few other roads connecting the main roads with one another. ²⁵¹

Local Cotton Trade by Bullock Carts

Before the introduction of railways and motor vehicles in Thoothukudi, bullock carts was the most common means of transport used for the transportation of cotton goods from village to the cotton markets like, Thoothukudi, Sattur, Virudhunagar, Ettaiyapuram, Vilathikulam, Sivakasi, Sirivilliputtur, etc. Not less the 70% of the total volume of freight traffic in Thoothukudi was in the rural areas, which was carried by bullock carts.²⁵²

Despite means of transport, bullock carts retained its importance due to the following reasons, the structure of the cart was of simple design and the village artisans from the locally available raw material manufacture most of the parts of Thoothukudi areas. Cost of service and maintenance was very low because the owner himself was the driver, bullocks were fed on husk and grass grown on his own fields in Thoothukudi areas. During the rainy seasons, bullock carts were the only means of transport in the rural areas of Thoothukudi, it was more convenient and economical to the cotton cultivator to carry the cotton produced in his own bullock carts, particularly on the rough roads and un-metalled roads connecting village with cotton markets in and around Thoothukudi.

Bullock carts can be easily constructed in the local shop of Thoothukudi called “Vandi Pettais”, like Sattur Vandi pettai, Virudhunagar Vandi pettai, Ettaiyapuram Vandi pettai, Tinnevelly Vandi pettai, Thoothukudi Vandi pettai,


²⁵² Bejoy Kumar Sarkar., op.cit, pp. 21 – 22.
Sivakasi Vandi Pettai, Rajapallaiyam Vandi pettai, Vilathikulam Vandi pettai, etc. They can be repaired in the local smithy itself, called “Thachi Aasaari” and the cost was very low in Thoothukudi areas.\textsuperscript{253} This was the only means of road transport available easily in the village of Thoothukudi in 19\textsuperscript{th} century onwards\textsuperscript{254} During the last half of the 19\textsuperscript{th} century the area under cotton in Madras Presidency increased enormously, previous to that time little inducement had been offered to the grower to exercise care in harvesting his crop, as no more was given for clean samples of lint than for dirty ones owing to the absence of railways, too, he experienced great difficulty in marketing his produce. Thoothukudi and Tirunelveli were in those days almost inaccessible.

The two great cotton marts outside the district were Madurai, Coimbatore and Salem. This cotton was carried by road by the bullock carts; the load (Paruthee Pothis) of about 240lbs consisted of two loose bags of cotton slung pannier fashion on a bullock’s back. In these early days it was no uncommon experience to meet a drove of 1000 bullocks laden with cotton, wending their way along the dusty road to these markets. Much of the cotton exported from Virudhunagar, Sattur, Sirivilliputtur, Rajapallaiyam, and Kovilpatti etc. were carried to Thoothukudi, the distance varying from 126 to 150 miles. The cost of transport was excessive; in most cases it exceeded half the value of the cotton. Much loss was suffered in transit, too, for the cotton was eaten by the bullocks, stolen by the drivers, and damaged by the

\textsuperscript{254} M. Saravana Kumar., \textit{Transport in India}, Chennai, 1994, pp. 78 – 79.
dust. In years of light rainfall the difficulties of transport were still further increased, owing to the want of water and forage on the road.²⁵⁵

**Standard CottonWeights**

The table of weights used in all railway stations and already used to some extent amongst shopkeepers was as follows:²⁵⁶

1. 3 tolas²⁵⁷ = 1 palam.
2. 8 palams = 1 seer.
3. 5 seers = 1 viss.
4. 8 viss = maund.
5. 20 maunds = 1 candy.²⁵⁸

**Cotton Products**

The cotton cloths woven vary greatly in quality. The cotton cloth produced in the largest numbers, by all classes of weavers, was the rough cloth, known as *muri*, which was used either as a sort of towel or upper cloth or as both. Large quantities of these cloths were sent to Travancore from in and around Thoothukudi, and the bulk of the Kallidaikurichi trade consists in the manufacture and export of these cloths. Their sold price ranges between Rs. 6-8-0 and Rs. 8 per *kachai* of 48 yards.


²⁵⁶ H.R. Pate., *op.cit*, p. 238.

²⁵⁷ A tola is the weight of a rupee.

²⁵⁸ A candy weight = 500 lbs.
The cotton cloths worn by women were made by every class of weaver in and around Thoothukudi. They vary much in quality and were, as a rule, sold locally at prices ranging from Rs. 2 to Rs. 15. The cheapest were the white ones, produced mostly by Iluvans.\textsuperscript{259} A superior kind of cloth for the use of men was made from cotton of the higher counts by the Pattasalaiyans of Sermadevi, Viravanallur and Kallidaikurichi. The Pattunulkarans also produced a similar article in a few centres. Like the muris, these garments, known as mundus, were sent, but on a very much smaller scale, to the west coast, the trade being entirely in the hands of Brahminans. The cloths were usually ornamented with borders of silk and lace and may cost anything from Rs. 3 to Rs. 25 a piece.

The plaid or check, known usually as the “Singapore cloth”, was the exclusive manufacture of Muslim weavers, and was produced in large quantities in Melappalaiyam, Eruvadi, Kadaianallur and Tenkasi; the cloth were bought up by merchants of pettai and were either sold in and around Thoothukudi or exported by way of Thoothukudi port to Sri Lank and the Straits Settlements.\textsuperscript{260} For all the ordinary cloth the yarn used was that produced by the mills of Thoothukudi. Only for the finer kinds of mundus and selai (women’s cloth) foreign thread was obtained in the Madurai markets.

**Rail Borne Cotton Trade**

The railways play a predominant part in influencing the social, economic and political conditions of a country. It was largely due to the development

\textsuperscript{259} H.R. Pate., *op.cit*, p. 216.  
\textsuperscript{260} Ibid., p. 217.
of the railways that modernism gained momentum. The development of the railways was one of the greatest landmarks in the progress of modern times. From the beginning of the nineteenth century, railways provided an impetus that helped greatly to realize the importance of the Industrial Revolution in the form of reliable low cost high volume system of land transportation.

The English established their commercial settlement in the coastal area of Thoothukudi, and found it difficult to penetrate into the hinterland without proper roads, and means of transport. Before the advent of the railway, most of the people in Thoothukudi lived in isolated villages. Trunk roads were very inadequate. Frequently there were toll charges. In some places of Madras, the toll charge was high. The Industrial Revolution in England, which began in the later part of the 18th century, created industries in England, which began to import raw materials like cotton from Thoothukudi, and exported finished goods from England to Thoothukudi. For example 12,000 tons of cotton was shipped from Thoothukudi to England, and 6,000 tons of goods were imported annually at Thoothukudi from England in 1861.

The British also wanted to carry their commercial products to all corners of South India. The goods were imported from England and reached Thoothukudi port. Further, all these goods were carried to and from the ports by bullock carts. By the beginning of the 19th century it was felt that this mode of transport was crude, delayed and unsafe to reach from one place to another in

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263 G.O. No. 2560, Public Works Dept, Dated, 27th October, 1862.
Southern India. Agriculture, industries, trade and commerce suffered badly before the introduction of railways in Thoothukudi. Even though railways destroyed indigenous industries on one hand, it accelerated agricultural development, and trading activities. The first proposal of a railway line in India was mooted out in the Presidency of Madras in 1832. The Great Southern of Indian Railway Company proposed to construct two railway lines one from Salem to Nagapattinam via Trichirapalli and another from Madras to Thoothukudi via Trichirapalli. It was felt that these two lines were important to develop cotton cultivation in Madurai and Tinnevelly.

**Railway Line in Thoothukudi**

The terminus of the South Indian Railway was conveniently situated for shipping the large quantity of surplus cotton grown in the cotton plains of Thoothukudi areas. The construction of railways proposed during the stated period commencing from 1870 was follows:

1. **1875 – 1880** Thoothukudi to Tirunelveli – 30 miles
2. **1875 – 1880** Tirunelveli to Madurai – 100 miles
3. **1884 – 1890** Madurai to Dindigul – 40 miles
4. **1890 – 1895** Dindigul to Coimbatore – 40 miles

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265 J. Johnson., *The Economics of India Rail Transport*, Bombay, 1963, p. 3.
266 G.O. No. 237, Financial Dept, Dated, 18th March, 1897.
267 G.O. No. 508, Public work Dept, Dated, 23rd March, 1858.
5. 1890 – 1895  Tirunelveli to Travancore Frontier – 40 miles

Railway Station in and around Thoothukudi and Distance from Chennai

Egmore:

1. Virudhunagar 371 ¼ miles.
2. Tulukapati 380 ¾ miles.
3. Veppilaipatti Chattram 387 ½ miles.
4. Sattur 388 miles.
5. Kovilpatti 401 ¼ miles.
8. Kadambur 415 miles.
10. Tattaparai 433 ¾ miles.
11. Milavittan 440 miles.
12. Thoothukudi Mellur 442 ¾ miles.
13. Thoothukudi 443 ¼ miles.

270 Proceeding No. 5558, Board of Revenue, Dated, 24th July, 1886; General Record No. 2893, Board of Revenue, Dated, 24th July, 1886; Records No. 4064, Collector of Tirunelveli, Dated, 8th July, 1886.

271 Proceedings of the Public Work Department, Government of Madras, Dated, 19th Sept, 1866.

272 South Indian Railway Communicating Government Order fixing the spelling and code initial for the trail station *Veppilaipatti Chattram*, at 387/5 miles between *Tulukapati and Sattur*; Proceeding No. 101, Board of Revenue, Dated, 10th Jan, 1907; General Records No. 27, Board of Revenue, Dated, 10th Jan, 1907; Records No. 4920 – A/06 – 1, Collector of Tirunelveli, Dated, 4th Jan, 1907.

273 South Indian Railway Communicating Government Order fixing the spelling and code initial for *Nalattinputhur station*; Proceeding No. 3195, Boards of Revenue, Dated, 16th Nov, 1907; Proceedings No. 2260, Board of Revenue, Dated, 16th Nov, 1907; Records No. 3530 – A / 07 – 1, Collector of Tirunelveli, Dated 8th, Nov, 1907.

274 South Indian Railway Communicating Government Order fixing the spelling and code initial for the trail station at *Thoothukudi Mellur*; Proceeding No. 3313, Board of Revenue, Dated, 27th Nov, 1907; General Records No. 2336, Board of Revenue, Dated, 27th Nov, 1907; Records No. 3642 – A. / 07 – 1, Collector of Tirunelveli, Dated, 19th Nov, 1907.
14. Naraikkinar 430 miles
15. Gangaikondan 434 ¼ miles
16. Tirunelveli 443 ¼ miles

The railway system in Madras up to 1885 was exclusively made under guarantee system. The survey for the extension of the line between Madurai and Thoothukudi was made in 1862 by Carr, the Chief Engineer of Great Southern of Indian Railway Company. Captain Lindsay conducted through examination of the country to make a list of places. The government of Madras in the month of September 1868 recommended to the government of India a scheme of Railway extension with a broad gauge line from Karur to Tirunelveli via Dindigul and Madurai with a branch from Kayattar to Thoothukudi. The scheme was ordered to be executed by the Great Southern of Indian Railway.

In April 1872 the construction of the line, 215.75 miles in length, on the meter gauge from Trichirapalli via Dindigul and Madurai to Tirunelveli and Thoothukudi was accorded sanction. The cost of construction per mile was Rs. 50,000/-.

The Government sanctioned Rs. 96,12,00/- but it was later revised and

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275 South Indian Railway Communicating Government Order fixing the spelling and code initial for the trail station Naraikkinar between Maniyachi and Gangaikondan; Proceeding No. 159, Board of Revenue, Dated, 12th Jan, 1907; General Records No. 43, Board of Revenue, Dated, 12th Jan, 1907; Records No. 41 – A/ 07 – 1, Collector of Tirunelveli, Dated, 7th Jan, 1907.


278 G.O. No. 237, Financial Dept, Dated, 18th March, 1897.
the cost of the line worked out to Rs. 1,06,64,022 at the rate of Rs. 49,600/- mile.\textsuperscript{280} This was against the Collector’s estimate of £ 7,000 to be the cost per mile including stations and rolling stock.\textsuperscript{281} Keeping the intense nature of traffic, the extension of line was advised from Madurai to Kayattar, then branch lines to Tirunelveli and to Thoothukudi were also suggested (The mileage from Karur to Madurai 84, Madurai to Tirunelveli – 96, Kayattar to Thoothukudi – 30).\textsuperscript{282} The line was most remunerative for the railway project.\textsuperscript{283} The collector expressed his wish that the line should pass through Virudhunagar, Sattur and Kayattar (all centres of Cotton trade), Sivakasi in the west and Ettaiyapuram on the east which yielded much cotton and related goods.\textsuperscript{284}

Again the collector suggested that the cotton from the region of Tirunelveli and cotton goods from the mills would be carried if the line passed the line of Trunk road from Madurai, Virudhunagar, Sattur, Kovilpatti and Kayattar, the areas which enjoyed considerable trade in cotton and cloth. The profit of the line would cover the interest of 5 percent up on the cost of construction. Sivakasi was a great centre of cotton trade, and Sirivilliputtur possessed trade traffic in raw cotton and cotton goods.\textsuperscript{285}

\textsuperscript{279} G.O. No. 292, Financial Dept, Dated, 11\textsuperscript{th} May, 1897.
\textsuperscript{281} G.O. No. 849, Financial Dept, Dated, 11\textsuperscript{th} Oct, 1897.
\textsuperscript{283} G.O. No. 422, Financial Dept, Dated, 4\textsuperscript{th} July, 1903; G.O. No. 814, Financial Dept, Dated, 5\textsuperscript{th} Dec, 1903; G.O. No. 392, Railway Dept, Dated, 17\textsuperscript{th} Feb, 1905.
\textsuperscript{284} Selection from the Records, Formation of Thoothukudi, Tirunelveli and Quilon Branch Railways, Tirunelveli, 1916, pp. 10 – 12.
The South Indian Railway entered Tirunelveli from the north near Virudhunagar and ran south straight to Maniyachi through Sattur and Kovilpatti. From Maniyachi the line ran east on the coast completing the communication between Madras and the chief southern part of the presidency namely Thoothukudi. The trunk road from Tirunelveli to Madurai lost its importance since the opening of the South Indian Railway in 1876 which ran in the same direction. From Maniyachi the railway branched off to Tirunelveli and on to Shencottai on the eastern frontier of Travancore through the fertile Taluk of Ambasamudram and Tenkasi.

In 1903 the Tirunelveli – Shencottai line was opened. It was extended to Western Ghats through the gap in the Ghats near Courtallam. The construction progressed satisfactorily year by year. The major network had been completed by 1905. After the railway connection with Thoothukudi, cotton trade got great development in and around Thoothukudi. Generally rail borne cotton trade was classified two types like, ‘Internal cotton trade’ and ‘External cotton trade’.

**Internal Cotton Trade by Rail**

‘Internal cotton trade’ which means cotton trade by rail was regulated only within the Madras Presidency, such as Tinnevelly, Madurai, Trichirapalli, Coimbatore, Salem, North Arcot, South Arcot, Kurnool, Canara, etc. These districts exported their surplus cotton to Thoothukudi by rail, called ‘Internal cotton trade’.

Cotton commodity of the internal trade was raw cotton, cotton yarns and twist, and

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286 Maniyachi was connected with the murder of Collector Ashe. At present it is Vanchi Maniyachi in memory of Vanchinathan of Shencottai who was the chief accused in the Tirunelveli Conspiracy case.


cotton piece – goods etc during the years 1888 to 1909. An import of the internal cotton trade is given detail below.

### Internal trade of the cotton Import by Rail in Thoothukudi Port 1888 – 1909

<table>
<thead>
<tr>
<th>Years</th>
<th>Articles</th>
<th>Quantity</th>
<th>Value</th>
<th>Maunds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1888 - 1889</td>
<td>Raw cotton</td>
<td>2,15,334</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton twist and yarn</td>
<td>20,668</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton piece – goods</td>
<td>19,844</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total:</strong></td>
<td><strong>2,55,846</strong></td>
<td><strong>Maunds</strong></td>
<td></td>
</tr>
<tr>
<td>1890 - 1891</td>
<td>Raw cotton</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton twist and yarn</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton piece – goods</td>
<td>2,366</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total:</strong></td>
<td><strong>382</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Raw cotton</td>
<td>Cotton Twist and Yarn</td>
<td>Cotton Piece – goods</td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>------------</td>
<td>-----------------------</td>
<td>---------------------</td>
<td></td>
</tr>
<tr>
<td>1892-1893</td>
<td>2,41,837</td>
<td>1</td>
<td>20877</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>2,62,715</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1893-1894</td>
<td>1,82,802</td>
<td>13,964</td>
<td>17573</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>2,14,339</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1896-1897</td>
<td>1,95,912</td>
<td>32,559</td>
<td>26,381</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>2,54,852</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1900-1901</td>
<td>563</td>
<td>1,83,612</td>
<td>15,763</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>1,99,938</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1901-1902</td>
<td>2,15,944</td>
<td>20668</td>
<td>22036</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>2,58,648</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1902-1903</td>
<td>2,51,981</td>
<td>15,866</td>
<td>25,358</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>2,93,205</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1903-1904</td>
<td>3,28,626</td>
<td>4,198</td>
<td>23,789</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>3,56,613</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1904-1905</td>
<td>3,38,927</td>
<td>20,927</td>
<td>24424</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>3,84,278</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1905-1906</td>
<td>3,86,251</td>
<td>27,674</td>
<td>26,242</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>4,40,167</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1906-1907</td>
<td>2,84,490</td>
<td>19,780</td>
<td>24,483</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>3,28,753</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1907-1908</td>
<td>4,23,058</td>
<td>8,543</td>
<td>24,971</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>4,56,572</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1908-1909</td>
<td>15,806</td>
<td>3,734</td>
<td>2,51,684</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>2,71,224</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1909-1910</td>
<td>1,750</td>
<td>3,33,926</td>
<td>20,937</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total:</td>
<td>3,56,613</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


External Cotton Trade by Rail
‘External trade’ which means cotton commodities was imported and exported with thought India by rail that was called inland trade or External trade by rail. In Thoothukudi rail line was connected with all over the rail way stations in India, because a Thoothukudi port was an important cotton trading centre in Madras Presidency. External cotton trading centre was Bombay, Mysore, Bombay Ports, Rajputana and Central India, Calcutta etc. During the years 1888 – 1909 cotton commodities imports and exports was given below:

**External Export by Rail in Thoothukudi Ports from 1888 – 1909**

<table>
<thead>
<tr>
<th>Years</th>
<th>Articles</th>
<th>Quantity value</th>
<th>Maunds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1888 - 1889</td>
<td>Twist and yarn</td>
<td>1,450</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1889 - 1890</td>
<td>Cotton Piece- goods</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>1890 - 1891</td>
<td>Twist and yarn</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>1892 – 1893</td>
<td>Raw cotton</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>1893 – 1894</td>
<td>Raw cotton</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>1896 – 1897</td>
<td>Cotton Piece- goods</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>1900 - 1901</td>
<td>Twist and yarn</td>
<td>1,453</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1901 – 1902</td>
<td>Cotton twist and yarn</td>
<td>1,212</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Cotton piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1902 - 1903</td>
<td>Twist and yarn</td>
<td>267</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1903 - 1904</td>
<td>Twist and yarn</td>
<td>1,690</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1904 – 1905</td>
<td>Twist and yarn</td>
<td>497</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1905 – 1906</td>
<td>Twist and yarn</td>
<td>1,013</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1906 – 1907</td>
<td>Twist and yarn</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>1907 - 1908</td>
<td>Raw cotton</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Twist and yarn</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>1908 - 1909</td>
<td>Cotton twist and yarn</td>
<td>1,245</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Cotton piece – goods</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1909 - 1910</td>
<td>Raw cotton</td>
<td>58</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


**External Imports by Rail in Thoothukudi Ports from 1888 – 1909**

<table>
<thead>
<tr>
<th>Years</th>
<th>Articles</th>
<th>Quantity value</th>
<th>Maunds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1888 - 1889</td>
<td>Raw cotton</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>
Sea – Borne Trades
Thoothukudi Port and Cotton Trade

Thoothukudi districts had three ports Thoothukudi, Kayalpatnam, and Kulasegarapattinam. The last were small and quite local in their influence. The first was the most important harbour and centre of trade in the Presidency south of Madras. Thoothukudi Port had a fascinating history. Thoothukudi Port was third in succession to the medieval Port of Palayakayal and the earliest port of Korkai; all situated within 12 miles reach on the east coast of Thoothukudi district in the State of

<table>
<thead>
<tr>
<th>Year</th>
<th>Item</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889 - 1890</td>
<td>Piece – goods</td>
<td>19</td>
</tr>
<tr>
<td>1890 - 1891</td>
<td>Raw cotton</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>6</td>
</tr>
<tr>
<td>1892 – 1893</td>
<td>Raw cotton</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Cotton piece – goods</td>
<td>31</td>
</tr>
<tr>
<td>1893 – 1894</td>
<td>Raw cotton</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td>10</td>
</tr>
<tr>
<td>1896 – 1897</td>
<td>Cotton Piece- goods</td>
<td>134</td>
</tr>
<tr>
<td>1900 - 1901</td>
<td>Twist and yarn</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>11</td>
</tr>
<tr>
<td>1901 – 1902</td>
<td>Raw cotton</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Cotton Piece- goods</td>
<td>4</td>
</tr>
<tr>
<td>1902 - 1903</td>
<td>Twist and yarn</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>5</td>
</tr>
<tr>
<td>1903 - 1904</td>
<td>Twist and yarn</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>8</td>
</tr>
<tr>
<td>1904 – 1905</td>
<td>Piece – goods</td>
<td>9</td>
</tr>
<tr>
<td>1905 – 1906</td>
<td>Raw cotton</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>11</td>
</tr>
<tr>
<td>1906 – 1907</td>
<td>Piece – goods</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>7</td>
</tr>
<tr>
<td>1907 - 1908</td>
<td>Cotton raw</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>4</td>
</tr>
<tr>
<td>1908 - 1909</td>
<td>Raw cotton</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Piece – goods</td>
<td>17</td>
</tr>
<tr>
<td>1909 - 1910</td>
<td>Piece – goods</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Other</td>
<td>10</td>
</tr>
</tbody>
</table>


289 A.J. Stuart., op.cit, p. 145.
TamilNadu. Thoothukudi port assumed a position of eminence after the fall of Korkai and Palayakayal due to sea receding.  

Thoothukudi was a Port of the Pandiyan Kingdom from the seventh to ninth century and came into the hands of Cholas in the tenth century. Thoothukudi is emergence as a Port came comparatively later in 1400 AD after the decay of Palayakayal because the obvious advantage of a well guarded and natural harbour where ships could anchor in safety, brought Thoothukudi to the fore as a Port and as a centre of maritime trade.  

The deep sea harbour at Thoothukudi had its own engineering with an expertise on its own and dependent on local material and equipment. Thus the new Port of Thoothukudi was an indigenous engineering marvel in that it had been conceived of, designed and executed entirely by Indian engineers without any foreign assistance whatsoever.

The natural wealth of Tamil Nadu attracted traders and Empire builders. In 1532 the Portuguese arrived in Thoothukudi, at which time the Fishermen community was being harassed by Arabs. The fishermen, in order to free themselves from the clutches of Arabs, were forced seek help from the Portuguese and gradually embraced Christianity. Thus the Portuguese power was established at Thoothukudi and the nearby coastal areas. A Portuguese Governor was posted at Thoothukudi to protect the interests of the fishermen. The fishermen community recognized the Portuguese as guardians of their interests and refused to pay any royalty or tax to the

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Nayak kings at Madurai, in spite of several punitive expeditions by the Nayak kings.\textsuperscript{292}

The prospective trade bonanza, the Portuguese were expecting at Thoothukudi, attracted the notice of the Dutch, who were the seafaring people of Europe. Their first invasion during 1649 was a failure. However in 1658 they captured Thoothukudi and brought it under their control. Between 1658 and 1825 the control of Thoothukudi changed hands between Dutch East India Company and English East India Company several times and finally the Britishers took over the administration from 1825. The hinterland, producing raw materials for export, the strategic location in the East Coast and various other factors market the rise of Thoothukudi to a position of considerable importance in the world of commerce. New roads were laid connecting the port and its hinterland and Thoothukudi was upgraded to Municipality status during 1866.\textsuperscript{293}

The necessity for the development of the port was accepted after the visit of the Duke of Birmingham to the Town in 1877, when representations were made to him by the leading traders about the necessity of improvement to the Port and actual work started during the year 1886. Cotton was the commodity exported from this port and this attracted several foreign companies to open their branch offices here namely Volkarts Brothers, Ralli Brother, A & F, Harvey Brothers,

\textsuperscript{292} Tuticorin port, \textit{The link, Global Trade & Foreign Review}, 1997, p. 21.

\textsuperscript{293} Government of India, \textit{The ports of India}, New Delhi, 1986, p. 152.
Bombay Company etc. A series of changes in the pattern of Exports and Imports gave Thoothukudi an important place among the Ports of India.\textsuperscript{294}

The trade activities between India and Ceylon gained a steady growth after British India Steam Navigation (BISN) Company launched their daily passenger cum - cargo steamers in the Thoothukudi to Sri Lanka line. After the opening of the Dhanushkodi and Thalai Mannar by the Government of India, BISN Company had to restrict their sailing from Thoothukudi as biweekly service, every Tuesday and Friday from Thoothukudi and every Monday and Thursday from Sri Lanka.\textsuperscript{295} The BISN Company had the monopoly over the Thoothukudi to Sri Lanka route. Whenever the British interests had to be served, the interest of the Indian shippers were naturally ignored.

This was intolerable to V.O.Chithambaram Pillai one of the architects of the Swadeshi Steam Navigation company on the twelfth of November 1906, with the main object of running a steamer in the Thoothukudi to Sri Lanka line. He is the “Pioneer of Indian Shipping”. The difficulties, he had to undergo while competing with the British company, were unimaginable and the whole Government machinery was set up against him to make his venture a failure. Thoothukudi was in the fitness of things that Free India recognizes this pioneer as the father of Indian shipping and organizes a yearly function in celebration of the day on which his Swadeshi ship sailed from Thoothukudi to Sri Lanka.\textsuperscript{296}

\textsuperscript{294} Port of Tuticorin, \textit{A Gateway to South East Asia}, Madras, 1981, p. 4.
Port Facilities

The harbour was so shallow that steamers anchor about five miles from the shore and continuous dredging was necessary to keep the channel open between the shore and the roadstead. At the same time Hare Island upon which the lighthouse was situated afforded considerable protection to the lighters and other craft used for landing and shipping and work was seldom interrupted by the weather. The port was equipped with tow piers. The South Indian Railway runs alongside the landing and shipping wharves from which passengers and goods can be transshipped to launches and lighters. About £ 24,000 had been spent since 1911 – 1912 in affording increased facilities for the landing, shipping, storing and clearing of goods. These improvements included a new pier, a new Customs goods shed, new trolley lines, and a shed for storing combustibles and reclamations along the foreshore for stacking goods.  

Exports of Raw cotton

With the growth of the cotton industry in the United Kingdom, vigorous efforts were made by the East India Company to stimulate the output of Indian cotton and to export the same to England. Large quantities of raw cotton were exported from Thoothukudi by the end of the 18th century. With the progress of cotton cultivation in the U.S.A., England began to replace Thoothukudi cotton with the Superior American material. The demand from England continued for some time; in the meanwhile other countries began to take Thoothukudi cotton in increasing


298 Todd’s estimate, taken from the Report of Bombay Mill owner’s Association, Bombay, 1930.
quantities in 1875 – 76. The exported cotton was Rs. 43,82,225 and Cotton goods were worth Rs. 5,93,423.\textsuperscript{299}

During the next few years, the supply from America was cut off because of the Civil War in that country. Prices rose to phenomenal heights, and the United Kingdom was forced to import large quantities of Thoothukudi cotton for her mills.\textsuperscript{300} With the return of normal conditions in the U.S.A. she began once again to export cotton in large quantities. At the same time the price went down considerably. In consequence there were great fluctuations in the exports of cotton from Thoothukudi. Cotton Piece goods of 7.50 lakhs increased to 10.50 lakhs. On the other hand raw cotton (115.50 lakhs) showed a decrease of 3.75 lakhs. Compared with 1887 – 88, there was an increase of only 1 lakh in the total exports to the United Kingdom.\textsuperscript{301}

The price of Thoothukudi cotton which was Rs. 255 per candy of 784 lbs. in 1888, declined almost continuously till 1899 when it was only Rs. 150-8-0. This decline in price of raw cotton (1888 : 55; 1898 : 299; 1900 : 118; 1902 : 100, 1906 : 77; 1909 : 75; 1910 : 59) arrested the growth of cotton cultivation in Thoothukudi to some extent. (Areas under raw cotton: 1888: 226,008 acres; 1890: 227,378 acres; 1894: 230,394 acres; 1898: 201,781 acres; 1899:201,781 acres.).\textsuperscript{302}

\textsuperscript{299} A.J. Stuart., \textit{op.cit}, p. 81.


\textsuperscript{301} Report on the Administration of the Madras Presidency During the year 1888 – 1889, p. 78.

\textsuperscript{302} Proceedings No. 64, Revenue Dept, 27\textsuperscript{th} Feb, 1899; Report on the Administration of the Madras Presidency, \textit{During the years 1888 – 1889}, Madras, 1889, p. xcv; \textit{During the years 1890 – 1891}, p. xciv; \textit{During the years 1894 – 1895}, p. Ixxvi; \textit{During the years 1898 – 1899}, p. Ixxxv; \textit{During the years 1899 – 1900}, Madras, 1900, p. Ixxxv.
While the output cotton was restricted in this way, there was an increased consumption within the country for the rising cotton mill industry. The surplus for export was therefore small, and the trade could not progress in consequence. Cotton, which had come to occupy the foremost position in export trade, went down to the third place then, the exports of which had greatly risen in the interval.  

By the end of the nineteenth century, radical changes took place in the cotton market of the world. The price of cotton which was hitherto on the decline began to show an upward tendency from 1888. This was due to an increased demand which was not accompanied by an increase in supply. The output of cotton in the U.S.A. which had shown a phenomenal progress since the close of the Civil War, had by now reached a stage from which further progress could be only very slow. (Output of cotton in U.S.A in lakhs of bales of 500 lbs. each: 1871: 38, 1876: 41, 1881: 60, 1891: 82, 1899: 110, 1903: 103, 1908: 111, 1909: 139, 1910: 113). 

At the same time the production in America suffered from the boll weevil. On the other hand, the demand for raw cotton was rising on all hands with the progress of the textile industry all over the world, especially in the East. The rise in price which took place in consequence stimulated production in Thoothukudi and the exports began to grow, particularly to Japan, where the mill industry had begun to develop. The rise in exports and price will be evident from the following figures of export:

<table>
<thead>
<tr>
<th>Year</th>
<th>Lakhs of Cwts.</th>
<th>Lakhs of Rs.</th>
</tr>
</thead>
</table>

303 G.O. No. 4633, Mis. Agriculture Dept, Dated, 26th Nov, 1904.


305 C.N. Vakil, *op.cit*, p. 102.
The price of cotton was on the increase during the year 1888 to 1909. One of the reasons was the limit set to increased production in America.\textsuperscript{306}

**The consumers of Thoothukudi Raw cotton**

The following table gives our exports of raw cotton to different countries:

**Exports of raw cotton in thousands of bales of 400 lbs. each**

<table>
<thead>
<tr>
<th>Countries</th>
<th>Average exports of raw cotton from 1888 – 1909 Maunds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>1012</td>
</tr>
<tr>
<td>China</td>
<td>31</td>
</tr>
<tr>
<td>Italy</td>
<td>233</td>
</tr>
<tr>
<td>Belgium</td>
<td>277</td>
</tr>
<tr>
<td>Germany</td>
<td>351</td>
</tr>
<tr>
<td>France</td>
<td>109</td>
</tr>
<tr>
<td>U.K</td>
<td>122</td>
</tr>
<tr>
<td>Spain</td>
<td>50</td>
</tr>
<tr>
<td>Austria</td>
<td>167</td>
</tr>
</tbody>
</table>


**Japan**

Japan occupies the most dominant position as a consumer of Thoothukudi cotton, taking 50 percent or more, of Madras’s total exports. This was

\textsuperscript{306} C.N. Vakil, \textit{op.cit}, p.104.
due to the gradual development of the cotton industry in that country. Japan was not in a position to grow cotton and depended for her supply of the raw material partly on Thoothukudi, and partly on the U.S.A. The phenomenal growth of this trade may be briefly described. The first export of raw cotton to Japan was made in 1887 – 88 when it amounted to 125 Cwts. only. In a few years the exports rose; in 1891 – 1892 Japan took 10 percent of the total exports. A little later, that is, by 1896 – 97, Japan superseded all other countries as a consumer of Thoothukudi cotton, when she took 25 percent of the exports. With small fluctuations the figure went on increasing, till the exports were valued at 670 lakhs in 1908 – 1909.307

China

Before the cotton textile ginning industry was established in Thoothukudi, considerable quantities of raw cotton used to be exported to China. For example, even in 1888 – 89, the exports to that country were 465 thousand Cwts. With the growth of the cotton ginning industry in Thoothukudi, it began to export increasing quantities of yarn to China, and the exports of raw cotton to China therefore fell.308 In 1893, Thoothukudi exported only one lakh worth of cotton to China. But thereafter the cotton mill industry began to be developed in that country, which led to an increased demand for Thoothukudi cotton.309

Continental Europe


309 Ibid, during the years 1893 – 1894, p. 134.
Among the European countries Germany took large quantities of Thoothukudi cotton before the war. For some years since 1891 she occupied the first position, until in 1896 she was superseded by Japan. Till the outbreak of the War, she retained the second place. The exports to Germany have recovered since the war, but have not yet reached the pre-war level. Italy led among the European countries as a consumer of Thoothukudi cotton, and occupied the third place on the whole.

‘Austria, which took fairly large quantities before the War, was no longer a buyer of any importance. Belgium, France and Spain were the other buyers of some importance.310

The United Kingdom

The Lancashire mills abandoned the use of Thoothukudi cotton many years ago. They were forced to take Thoothukudi cotton during the American Civil War in the years 1862 to 1865, as already pointed out. Since then the United Kingdom occupied a subordinate position as a consumer of Thoothukudi cotton. So far as the European countries were concerned, the imports of cotton from Thoothukudi represent only a fraction of their total imports, because they import a large quantity from the U.S.A. This was due to the inferior quality of Thoothukudi cotton. These countries imported Thoothukudi cotton to make up for the deficiencies of the American supply. In other words, if America was in a position to supply larger quantities to Europe, Thoothukudi cotton would have suffered in the European market.

310 Review and Return of the Sea Borne – Trade During the years 1891 – 1892, Madras, p. 104; During the years, 1896 – 1897, Madras, p. 122.
Japan also imported large quantities of cotton from the U.S.A., but she found it profitable at the same time to import at least half her requirements from Thoothukudi. Thoothukudi cotton was cheaper, and was suitable for coarse goods for several Asiatic markets, which Japan catered for. ‘At the same time, the Japanese mills specialized in the art of mixing Thoothukudi cotton with other superior varieties for the production of certain kinds of cloth. China depended to a greater extent on Thoothukudi cotton and her demand increased with the growth of her mill Industry.’

**Import of Raw Cotton**

Thoothukudi was a great exporter of raw cotton; in view of this it may seem strange that it was importing certain quantities of cotton at the same time. Thoothukudi cotton was not good for the production of superior or finer variety of yarn, and those Thoothukudi mills which specialized in this work had to import foreign cotton. Egyptian, American and, African cotton, particularly from Kenya and Uganda, was imported in this way. Another reason which lead to the import was the disparity between the prices of foreign and local cotton.

On account of frequent fluctuations in the world price of cotton on the one hand, and the operation of local factors on the other, there were occasions when the price of Thoothukudi cotton was not in a line with that of foreign cotton. Whenever foreign cotton became cheaper, we find that a stimulus was given to imports, which may not have a direct relation to the demand by the mills.\(^{312}\)


The imports of raw cotton amounted to 40,000 Cwts value at 8.4 lakhs of rupees, in 1888 – 89. They rose gradually and were 1,57,500 Cwts valued at 71 lakhs, in 1907 – 08. During the years 1909 – 1910 the imports were very largely due to a divergence in the price level, the figures being 4,83,000 and 5,48,000 Cwts respectively.\textsuperscript{313}

Though imports of cotton were likely to continue, and may increase on occasions, there were obvious limits because the demand for finer goods was limited, and efforts to improve the staple of Thoothukudi cotton were being made at the same time. It may be noted, however, that large quantities of cotton were imported for use in the Thoothukudi mills for the production of goods of higher count. This was due to the intense demand for locally made cotton piece – goods of all descriptions created by the Swadeshi movement.\textsuperscript{314}

**Growth of total imports**

The circumstances which led to the import of cotton manufactures from England to Thoothukudi have already been stated. By 1860 – 61, the imports of cotton goods amounted to more than 20 lakhs of rupees. The American Civil War led

\textsuperscript{313} Report on the Administration of the Madras Presidency during the year1888 – 1889, Madras, p.78; during the year1907 – 1908, p. 92; during the year1909 – 1910, p. 98.

\textsuperscript{314} C.N. Vakil, *op.cit*, p. 108.
to a restriction of imports for some time, but with the advent of normal conditions they grew rapidly and rose to Rs. 22,22,095 in 1875 – 76.\textsuperscript{315}

Partly due to adverse economic conditions in India affecting the demand, or to other factors affecting production, there were fluctuations in the years that followed, but this did not arrest the general progress of the trade during the subsequent twenty years. This period was characterized by an agitation in Lancashire against the protective effect of revenue duties on cotton goods, which led to changes in the tariff, and its complete abolition in 1882.

This factor was responsible for the growth of the trade among other things, and that the imports amounted to 304 lakhs in 1890 – 91. For thirteen years after this date, that was up to 1903 – 04, the trade did not progress. This was the period of currency difficulties, of the re-imposition of import duties on cotton goods accompanied by a countervailing excise duty, and of famines and epidemics. The imports in 1903 remained at the same level as in 1890, which were 304 lakhs.\textsuperscript{316}

It may be noted, however, that though the imports of cotton manufactures have shown great developments, their progress has been slower than that of the total import trade. This has resulted in a decline of the share of this item in the total imports from 30.63 percent in 1888 to 35 percent 1909 – 10, as the following figures indicate:

\textsuperscript{315} A.J. Stuart, \textit{op.cit}, p. 81.

<table>
<thead>
<tr>
<th>years</th>
<th>Imports of cotton goods lakhs. of Rs</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1888 – 1889</td>
<td>259.50</td>
<td>30.63</td>
</tr>
<tr>
<td>1890 – 1891</td>
<td>378.30</td>
<td>37.07</td>
</tr>
<tr>
<td>1895 – 1896</td>
<td>118</td>
<td>18.01</td>
</tr>
<tr>
<td>1900 – 1901</td>
<td>226</td>
<td>22.3</td>
</tr>
<tr>
<td>1905 – 1906</td>
<td>311.25</td>
<td>54.54</td>
</tr>
<tr>
<td>1909 – 1910</td>
<td>287.21</td>
<td>67.65</td>
</tr>
</tbody>
</table>

**Sources:** Report on the Administration of the Madras Presidency *during the year* 1888 – 1889, p. 84; during the year 1890 – 1891, p. 86; *during the year* 1895 – 1896, p. 78; *during the year* 1900 – 1901, p. 82; *during the year* 1905 – 1906, p. 50; *during the year* 1909 – 1910, p. 56.

**Cotton legislations**

In the latter part of the official year the tariff schedules of Act VIII of 1894, as amended by Act XVI of the same year, were revised and replaced by those of Act III of 1896, which came into force on 3rd February 1896. The only important changes were with regard to cotton twist and yarn and piece – goods imported from foreign countries, cotton twist and yarn, which paid a duty of 5 percent on importation under the old Act, were admitted duty – free, while the duty on piece – goods was reduced from 5 to 3.50 percent under the revised schedule.\(^\text{317}\)

**Cotton Customs Revenue Import Duty**

Figures for the five years are given below

<table>
<thead>
<tr>
<th>Cotton article</th>
<th>1896 - 1897</th>
<th>1897 - 1898</th>
<th>1898 - 1899</th>
<th>1899 - 1900</th>
<th>1900 - 1901</th>
<th>Increase or decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cotton</td>
<td>5,81,528</td>
<td>6,32,262</td>
<td>4,61,992</td>
<td>5,15,497</td>
<td>6,66,308</td>
<td>+,1,50,811</td>
</tr>
</tbody>
</table>

**Sources:** Report on the Administration of the Madras Presidency during the year 1900 – 1901, p. 89.

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\(^{317}\) Report on the Administration of the Madras Presidency during the year 1895 – 1896, p. 83.
Statement of customs duty collected on the Cotton of merchandise, subject to duty on imports or exports at ports in the Presidency of Madras, during the official years 1894 -95 and 1905 – 1906.

<table>
<thead>
<tr>
<th>Articles</th>
<th>Amount of duty collection</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1894 - 95</td>
</tr>
<tr>
<td></td>
<td>Cross</td>
</tr>
<tr>
<td>1. Cotton – Twist and yarn</td>
<td>1,61,252</td>
</tr>
<tr>
<td>2. Piece Goods Grey</td>
<td>2,00,983</td>
</tr>
<tr>
<td>3. Piece Goods White</td>
<td>74,241</td>
</tr>
<tr>
<td>4. Piece Goods Coloured</td>
<td>1,20,818</td>
</tr>
<tr>
<td>5. Piece Goods Other goods</td>
<td>1,136</td>
</tr>
<tr>
<td>6. Sewing threads</td>
<td>1,047</td>
</tr>
<tr>
<td>7. Other sorts of manufactures</td>
<td>491</td>
</tr>
</tbody>
</table>

**Sources:** Report on the Administration of the Madras Presidency during the year 1895 – 96 and 1905 – 1906 p. 85.

**Sea Customs**

During 1888 to 1898 the receipts under ‘Sea Customs’, shows there was an increase of Rs. 10,000 under ‘Excise Duty’ on cotton manufactures owing to a decrease in export of cotton piece – goods to China in consequence of American competition and the trade instead to Calcutta and Rangoon. These being customs ports, the goods which would have been free if sent to China paid duty. Then, during 1900 – 1901, the receipts under ‘Sea customs’ showed decrease of Rs 46,851 under ‘Excise duty on cotton manufactured’ and of an increase of Rs. 1,80,155 under ‘Import duty’. Under ‘Excise duty on cotton manufacturer the fall is attributed to a smaller demand for the local produce and to its shipment to a large extent to Singapore, Penang and Manila. The increase under ‘Import duty’, on the other hand,

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occurred chiefly under cotton piece goods due partly to larger imports and partly to higher prices, duty on these goods being collection ad valorem.\textsuperscript{319}

At the same time during 1901 – 1902, the increase of Rs. 8,67,644 over the receipts in the previous year was the net result of an increase of Rs. 2,84,476 in ‘Export – duty’, Rs. 5,56,692 in ‘Import – duty,’ Rs. 12,312 in ‘Excise duty’ on cotton manufactures and Rs. 14,164 in ‘Miscellaneous collections’.\textsuperscript{320} Finally, during 1909 – 1910, the decrease of Rs. 5,70,998 in import duty occurred chiefly in cotton manufactures.\textsuperscript{321}

**Imports of Cotton Yarn**

The imports of cotton goods may be divided into those of yarn and those of piece – goods. In comparison with the latter, the former were unimportant. This was partly due to the fact that British manufacturers had been sending mainly finished goods to Thoothukudi. But the demand for certain kinds of yarn continued as some of the handloom weavers and mills depended on foreign yarn of higher counts for certain class of goods. Before the growth of the cotton mill industry, the imports showed steady progress. In 1862 – 63, they were 195 lakhs of lbs valued at 127 lakhs of rupees; they rose to 400 lakhs of lbs valued at 336 lakhs in 1888. By this time, the imports came to be affected by the output of Thoothukudi mills, with a decline. In 1889 – 90, they were 332 lakhs of lbs. The abolition of the import duty on yarn in 1882, and the subsequent levy of the import duty on piece – goods while those of

\textsuperscript{319} Report on the Administration of the Madras Presidency during the year 1900 – 1901, p. 118.

\textsuperscript{320} Report on the Administration of the Madras Presidency during the year 1901 – 1902, p. 192.

\textsuperscript{321} Report on the Administration of the Madras Presidency during the year 1909 – 1910, p. 70.
yarn were left free, stimulated the imports, which rose to 583 lakhs of lbs. in 1897 – 98 to 1909 – 1910.\textsuperscript{322} It is of interest to note that during this period Thoothukudi had begun to export yarn in large quantities, and the exports were larger than imports, as shown below:

<table>
<thead>
<tr>
<th>Years</th>
<th>Exports of Yarn (Lakhs of lbs.)</th>
<th>Imports of Yarn (Lakhs of lbs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889 – 1890</td>
<td>18</td>
<td>317</td>
</tr>
<tr>
<td>1895 -1896</td>
<td>454</td>
<td>449</td>
</tr>
<tr>
<td>1899 – 1900</td>
<td>1890</td>
<td>383</td>
</tr>
<tr>
<td>1900 – 1904</td>
<td>2000</td>
<td>583</td>
</tr>
<tr>
<td>1909 – 1910</td>
<td>2643</td>
<td>708</td>
</tr>
</tbody>
</table>


The progress of the imports was explained by the fact that most of these consisted of yarns of finer counts which could not be manufactured in Thoothukudi; while the Thoothukudi manufacturers devoted their attention more to the export trade than to the supply of the home – market. But the gradual loss of the foreign market since the close of the last century forced the Thoothukudi producers to push the sales of their goods in the home market with more vigour, and the imports of yarn fell in subsequent years.

In 1903 – 04 they amounted to only 280 lakhs of lbs. there after came the Swadeshi movement which gave an impetus to the hand – weaving industry; this led to some demand for foreign yarn. The Thoothukudi mills also consumed more of foreign yarn to meet the demand for Thoothukudi made piece – goods. Japan had by

\textsuperscript{322} Report on the Administration of the Madras Presidency \textit{during the year} 1899 – 1890, p. 84; \textit{during the year} 1909 – 1910, p. 86; \textit{during the year} 1897 – 1898, p. 78.
this time entered the field as an exporter of cotton goods to Thoothukudi. In consequence the imports of yarn rose to 500 lakhs of lbs.\textsuperscript{323}

**Imports of Piece – Goods**

In spite of fluctuations, the imports of piece – goods continued to grow during the last century. From 931 lakhs in 1860 – 61, they rose to 2982 lakhs in 1894 – 95. The progress of the industry in Thoothukudi did not have the same effect on imports of piece – goods as it had on those of yarn during this period. This was due to the fact that the output of the Indian mills consisted mostly of yarn. The output of piece – goods amounted only to a small fraction of the imports, and could not have a material effect on them. The following figures are of importance in this connection:

<table>
<thead>
<tr>
<th>years</th>
<th>Exports of piece - goods</th>
<th>Imports of piece - goods</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lakhs of yards.</td>
<td>Lakhs of yards.</td>
</tr>
<tr>
<td>1888 – 1889</td>
<td>11,860</td>
<td>155</td>
</tr>
<tr>
<td>1894 – 1895</td>
<td>17,340</td>
<td>479</td>
</tr>
<tr>
<td>1899 – 1900</td>
<td>22,590</td>
<td>857</td>
</tr>
<tr>
<td>1904 – 1905</td>
<td>25,706</td>
<td>1082</td>
</tr>
<tr>
<td>1909 - 1910</td>
<td>27,986</td>
<td>1989</td>
</tr>
</tbody>
</table>

**Source:** Report on the Administration of the Madras Presidency during the year 1888 – 1910, Madras.

Though Thoothukudi was able to supply certain quantities of piece – goods to other countries, it imported large and increasing quantities of the same for its own consumption. In other words, the Thoothukudi industry was far from supplying the local wants, and did not interfere with the progress of the imports, though it may

\textsuperscript{323} Report on the Administration of the Madras Presidency during the year 1903– 1904, Madras, p. 78.
be argued that the pace of the increase in imports must have suffered to some extent by the growth of the Thoothukudi industry.\textsuperscript{324}

The import duty on cotton goods, which was abolished in 1882, was re-imposed in 1896; the imports of yarn were free from this. In spite of the corresponding excise duty on Indian production, the imports received a temporary check for a few years. They fell to 18,620 lakhs of yards in 1897 – 98.

During the following years up to the beginning of the War, the imports of yarn declined heavily; but those of piece – goods showed a continuous progress up to 1909.\textsuperscript{325} The trade in piece – goods has, however, not reached the pre – war level. This was due to several causes, a restricted consumption of foreign piece – goods due to the intense revival of the Swadeshi movement and the propaganda in favour of the use of Khaddar, a higher level of prices, and the increase in the import duty on piece – goods in further years.

\textbf{Conclusion}

Besides improving cotton production, special attention was paid by the government to proper marketing of cotton. In the commercial development of cotton The Commercial Intelligence Department and the Madras Chamber of Commerce as well as several regional associations played a vital role. Under government patronage the export of cotton increased in the presidency till 1910. During 1899 – 1900 the value of raw cotton was estimated at Rs. 6.5 lakhs and that of cotton piece goods at

\textsuperscript{324} Report on the Administration of the Madras Presidency during the year1888 – 1910, Madras.
\textsuperscript{325} Report on the Administration of the Madras Presidency during the year1888 – 1910, Madras.
5.5 lakhs. In 1909 – 1910 the total value of cotton export was Rs. 2570 lakhs whereas the imports were valued at Rs. 1286 lakhs during this period. The increase in cotton production and the growth of cotton trade led to the development of the textile industries.

During the first half of the 20th century the textile mills increased in numbers. The Government of Madras, the European companies and the bankers in the Madras Presidency started textile mills in and around Thoothukudi. The commercial development of cotton in the Thoothukudi had far reaching consequences. It brought about remarkable changes in the social and economical life of the people. Socially it gave a fillip to the cooperative movement among the rural population. The organization of weaver’s societies generated a feeling of unity among the people. Further these societies protected the cotton producers against the deceitful practices of the profit minded businessmen or their agents.