

Selections from the archives of Thomas Duff & Company, Ltd at the Dundee University Archives in Dundee, Scotland.

Thomas Duff & Company operated four jute mills in Calcutta, India. The selections below are from a weekly report sent from Calcutta to the Dundee office, which included a report on the state of jute markets. As the selections below demonstrate, jute mill managers were constantly speculating on the direction of jute prices and the quality and quantity of Bengali farmers' production of jute.

A glossary of Indian words

Ryot: the British Raj's term for peasants

Anna: a currency denomination denoting 1/16th of a rupee. At times it is used to measure the proportion of the jute crop in comparison to previous years. For instance, the phrase "two annas less sown this year" implies that the estimated crop will be 2/16th less than the previous year's crop, or in more familiar percentage figures, 12.5% less.

Maund: a measure of weight, were one *maund* was approximately 40 kilograms.

Mofussil: a word for hinterland villages and towns, as distinguished from metropolitan Calcutta

Pucca bales: jute fibers that had been machine-pressed into a standardized bale weighing 200 kilograms or 5 *maunds*.

Lacs: the South Asian term for 100,000, used as commonly in South Asia as a million is used in the USA.

Thomas Duff & Company, Private Official Letters from Calcutta, 9th March 1933 to 25th May 1933, MS/86/V/7/1, Dundee University Archives, Dundee, Scotland

From Clive Row, Calcutta, 16th March, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

Upcountry markets have ruled quite steady during the interval, and during the past few days, sellers there have shown more reserve, and cut down imports in anticipation of higher values. As a matter of fact, two annas higher has already been paid, but in view of the attitude of the Mills and other buyers in Calcutta this has not been paid freely.

Another factor which may have also tended to influence the ryot, is that rain would be beneficial to allow of operations being proceeded with, but, of course, it is the old story over again trying to make a "bull" factor out of something which, so far, does not exist, for if rain comes by the end of the month, this will really be quite soon enough for all purposes.

From Clive Row, Calcutta, 23rd March, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

Markets in the mofussil have re-acted to the activities of the speculator, who is now gambling and operating for a rise on the account of rain now being needed for the furtherance of the Jute Crop. Ground preparation is well forward, but sowings ... have been suspended, and undoubtedly rain now would be very beneficial to the young plants, and ... allow sowings being carried on. Sellers in the Mofussil are naturally reserved now, and only willing to dispose of their holdings at continued advance in rates. In Calcutta the position has also ruled steady to firm, but so far Mills generally have not been inclined to meet the advanced prices which sellers are asking, and which at the moment may be nominally quoted at Rs. 5/2 basis rejections for European and 2 annas less for Native. It is rather a pity that values have appreciated at this time, and that buyers upcountry are taking all imports which are coming to hand, for this will, in all probability, encourage the ryot to sow more than he might have done if prices had remained where they were. This would have influenced him much more than any propaganda that has been resorted to by Government and other Associations.

From Clive Row, Calcutta, 1st April, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

Our stocks of jute stored up-country are, generally speaking, all up to what might be termed a good European standard of packing, and which must be considered satisfactory. ... the average price of our total jute stocks ... is close on Rs. 5/9 per maund, whereas the market price today, based on Rejections is only Rs. 5 ... the bulk of our purchases this season has been from Messrs. Sims and Landales, and I am of opinion that their packing has been on a higher standard than their competitors, so that intrinsically these purchases might be reckoned to be four annas higher than present market value [that is Rs. 5]. ...

One feature ... which has been present throughout the season is "speck" and the reason for this is low prices, cultivators not being able to afford to engage outside labour. Apparently, the jute has been allowed to stand in the fields until the ryot has time to cut and prepare the jute ... and cutting was delayed because the ryot was otherwise engaged in transplanting paddy.

From Clive Row, Calcutta, 13th April, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

At the moment the market upcountry is firm with advancing tendency, and sellers reluctant to part with any stocks held, as the feeling is that prices may still go to a higher level. There has been little rain, and with sowings retarded, there being fully two annas less sown this year ... this is tending to make sellers more reserved. In Calcutta the market has also ruled firm in sympathy with upcountry conditions, as well as the advance in the price of goods.

From Clive Row, Calcutta, 20th April, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

Upcountry markets have ruled firm during the period under review, and although beneficial rains have been received throughout the whole of the Jute growing areas, this has had no bearing at all on the position. The reason for this is that about the time the rain was received and sowings recommenced, the whole situation was changed owing to the American financial programme, and in sympathy with other commodities, the value of raw Jute has appreciated. The forecast of Currency inflation in America is interpreted by speculators here ... as being intended to raise Commodity values, and they are therefore anticipating this movement, and operating for a rise. This applies really more to goods than to the raw article, but the latter has naturally reacted to the firmness of the manufactured article.

Prospects of new crop are now very favourable ... In Upcountry centres sellers are only letting go holdings in very small quantities and at advancing prices, and at the moment values there are somewhere in the region of four annas over those ruling in Calcutta. ...

From Clive Row, Calcutta, 11th May, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

Upcountry markets have ruled somewhat quieter during the interval, and no doubt the satisfactory prospects of the new crop are naturally having an effect, especially when the general opinion is that sowings this season are fully one anna over last season. ... it may not be too optimistic ... to expect a crop of anything from 80/85 lacs of pucca bales. ...

From Clive Row, Calcutta, 25th May, 1933 to D.F. Batchelor, Thomas Duff & Company, Dundee.

The jute market upcountry has ruled excited during the period under review, and with buyers all keen to get as much as they could on the rise with a view to selling at full rates, sellers have shown great reserve and sold very cautiously. Supplies of course have not been sufficiently large enough to meet the demand, and with Mills and Balers in Calcutta also purchasing, and a strong gunny market supporting same, the position latterly got somewhat out of hand. On account of the reaction which set in in Goods, this has naturally, to some extent, affected the situation, but at the same time sellers upcountry are showing little indication of breaking rates to realize the balance of their holdings, while, on the other hand, in Calcutta, without the support buyers generally, there is a quieter tendency, and while Rs. 7 basis rejections were reached, business was done yesterday by Messrs Ralli Bros to the Inchcape Group – 25,000 maunds at Rs. 6/8 basis Rejections. The Rs. 7 basis rejections ... was done by Messrs R. Sims & Co. and Haworth & Co. to the same group in the morning, and eight annas less by Messrs. Ralli in the afternoon, which will illustrate just how jumpy the position has gone since the break in prices.

Thomas Duff & Company, Private Official Letters from Calcutta, 23rd December 1935 to 9th October 1936, MS/86/V/7/2, Dundee University Archives, Dundee, Scotland

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., Dundee, 29th June, 1936

Weather conditions have improved somewhat during the past week, and prospects generally are again quite satisfactory. On account of the low level of rivers, cutting is not proceeding so freely as it was a week ago ... the early imports now coming in are of good colour, light rooted and excellent condition for this time of year. ...

Report of Mr. A.K. Grewar's Visit Upcountry, 10th to 13th July, 1936, July 13, 1936

The general opinion at all stations is that the crop is much better grown than for several years and the outturn should be a good one. Messrs. Sims agents from Mymensingh, Charmugria and Nakalia met us with hand samples at various points en route ... We returned from Naraingunge with Messrs Leckie and Manners of James Finlays, both of whom had inspected samples of all European packing in Naraingunge. They are of the opinion that while Sims, Rallis and their own standards are much in line, that of Sinclair Murray & Co. is at least 20% higher, and in their opinion too high.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 20th July, 1936

It is certainly the opinion among the Native element that 100 lacs bales will come to hand [at the end of June next year], and this view is also held in several quarters at Home. I share the view of many here who consider that 90/95 lacs bales will be nearer the mark. It is of interest to note that Landale's idea is not less than 98, Sinclair Murray 90/95, Sims 90, Rallis 90 and Davids 95 lacs bales. If we put consumption in India at 73 lacs bales, and give a minimum of 30, and actually probably 35 lacs bals for Export ... there is considerable justification for the opinion that supply this year will not be equal to demand. Mills' consumption and purchase figures ... are 49.5 and 39.75 lacs bales respectively, against 45.5 and 50.25 lacs bales respectively last year. Are Mills to be content to do as they did last year and let their stocks go further down? I do not believe they will, provided prices for the raw material keep reasonably low. Mills' purchasing policy and requirements of export will naturally determine whether or not supply will be equal to demand. I maintain that present indications point to the negative.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 27th July, 1936

Weather upcountry satisfactory, and steeping is proceeding. "Mr. Stevens has just returned from a fairly exhaustive tour upcountry, and reports that imports are expected to come away quite freely again within the next week or ten days, as there is a lot of Jute under steep."

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 3rd August, 1936

There has been too much rain upcountry which is hampering drying of jute, as a result of which import "are down to practically nothing." "The Calcutta jute market has ruled firm partly on account of the position upcountry, and partly as a result of the declaration by Birds and Yules that an increase in their working hours to 54 would take effect from this week."

*From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 10th August,
1936*

Upcountry markets have continued to rule firm on account of the almost complete cessation of imports, brought about by continual rainfall. This has affected Calcutta, where sellers generally are most reserved. ... The local market undoubtedly continues in the hands of speculators, but although prices during the past few days had steadily advanced, Mills, apart from ourselves, had shown no inclination to come into the market at the higher rates. The general feeling of the trade at the moment is that the market is a fictitious one and, on account of the lack of imports, has enabled speculators to gain the upper hand. It is the general opinion that, given a few days of dry sunny weather, the ryots will be compelled to bring forward their jute in sufficiently large quantities to have a quietening effect on the market, both upcountry and in Calcutta.

*From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 6th August,
1936*

The Jute market is presently in the hands of speculators, and has ruled firmer ostensibly on account of the lack of imports upcountry, occasioned by the recent and continued inclement weather. There is a considerable covering to be done in the Mofussil, both by European and Native sellers, and this, in the absence of supplies, is causing the present reserve, even in spite of the fact that buyers are holding off and showing no inclination to pay higher prices. It is estimated that about 13 lacs bales have been sold so far ... and of this fully 60% has still to be covered."

*From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 17th August,
1936*

There has been a great improvement in weather conditions upcountry ... and good sunny weather has enabled cultivators to dry and harvest their jute. ... Imports in all districts during the past few days have showing a decided improvement, and although normally this state of affairs would bring about lower prices upcountry, this has not been so noticeable in view of the fact that there has been a considerable bear covering for August, which still continues. ...

*From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 24th August,
1936*

During the past week, weather on the whole has been favourable, and good progress has been made with harvesting. The position upcountry in regard to imports is rather obscure. It was expected some time ago that with an improvement in the weather, these would increase, and while this is true in some districts, it is not generally the case. We

get reports from some quarters that imports are small, while equally reliable firms maintain that imports are available if buyers are prepared to pay the price. Our own feeling in the matter is that a lot of jute has been cut, and with a continuance of good weather, there must surely be pressure to sell very soon. When this materializes however it must be remembered that there will be considerable buying power on covering account, both by European and Native balers. It is interesting to note that at this early stage in the season, as a result of the recent hold up of arrivals, sellers are already asking for extensions against August commitments.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 3rd September, 1936

Upcountry markets have ruled steady with little change in prices and imports have been coming forward in quite average quantities. There is however a good enquiry for these ... Weather conditions ... have been wet and stormy, and it is possible that this may again hold up imports to some extent.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 17th September, 1936

You refer under this head to the opinion expressed by most European sellers, that until the price of jute went up, the ryot could not be expected to attend to his Jute as carefully as he did in the past. You wonder whether in view of the better prices paid last season the ryot has been able this year to do so. Last year, we hoped that with the better prices ruling, the ryot would have paid more attention to his Jute, but unfortunately this did not materialize, and speck was as prevalent as in the previous season, the main reason for this being that the Jute was allowed to over-mature. This year, with prices quite attractive at cutting time, a bigger crop to handle and rivers generally behaving normally, cutting and retting went on freely for the most part, and at no time of the harvesting season was there any occasion for the ryot to allow his jute to grow to over-maturity, and, of course, there has never been any question of scarcity of steeping water this season. ... the Director of Agriculture .. has stressed the fact that the quality of fibre this year is better than it has been for several seasons on account of the sufficiency of steeping water. ... a combination of good prices in the early part of the season, the industry of the ryot, a normally grown and harvested crop, and a steady supply of clean steeping water have all contributed this season to the almost complete elimination of speck.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 8th October, 1936

Owing to wet and cyclonic weather in all Districts upcountry, imports have been smaller during the week and on this account and continued good demand, prices have been firmly maintained.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., October, 1936

Weather conditions upcountry have shown an improvement during the week, and while imports are larger, they are particularly in some Districts, not as heavy as we might expect at this time of the season. Demand continues keen, and is in excess of present supply.

From Thomas, Duff & Co, Calcutta, to Mr. Mason, Thomas Duff & Co., 22nd October, 1936

Upcountry markets have ruled firm during the week, with prices in all Districts showing an advance. Imports have been rather less, and it would appear that sellers, in view of the strong demand, are feeding the market very judiciously. ... rivers have been falling steadily and considerably faster than usual ... this has naturally made transport facilities difficult and more expensive. This season the ryot has been getting quite a good price for his Jute and also his Paddy, and he is probably in a better financial position to hold up imports than he has been for some years past. I have heard it mentioned in certain quarters that the ryot has also benefited to no little extent as a result of the working of the Rural Indebtedness Act, which protects him from usurious rates of interest.