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APRIL 1938

OFFICIAL ORGAN OF THE SOUTHERN INDIA CHAMBER OF COMMERCE, MADRAS

Vol. 1
No. 6

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SOUTHERN INDIA COMMERCE

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Vol. I. No. 6. | OFFICIAL ORGAN OF THE SOUTHERN INDIA CHAMBER OF COMMERCE, NORTH BEACH, MADRAS. | APRIL 1938

Coastal Traffic of India

(EQUITY)

In my last article on the Coastal Traffic of India I believe I showed how backward our country is in that regard. It would be no exaggeration to say that this backwardness as in many other industrial matters was due to the preponderant British shipping interests. But with the progress of autonomous Governments in the Dominions and the determined struggle of India for the status of Dominionship if not independence it will constitute to be a blatant folly if the Central Government do not exculpate themselves from the grip of the British commercial interests or the British commercial interests themselves do not see the unwisdom of their riding high horse over the long neglected Indian interests.

In this connection it would be appropriate if they are reminded and Indians are informed of what Great Britain herself had to encounter and secure before she had built for herself a great merchant marine.

It is well known to students of history that England's naval strength was of recent origin while that of India dated from the earliest times known to humanity. Her dogged persistence, dashing, tenacity of purpose and royal patronage crowned her as the Queen of the seas which she is preserving upto date in spite of other nations assailing it.

Early in the 14th century Edward III decreed that all ships of England and Gascony that come into Gascony shall be first freighted to bring wines into England before all other ships.

2. The law of 1381 limited the carrying of all exports and imports to English ships though this was at a time when because of the ravages of war and piracy there was hardly more than a handful of merchant vessels.

3. A year later Parliament granted to the King a subsidy, in the form of an extra duty on exports and imports, under the express condition that the money should be expended "wholly upon the safe-keeping of the sea."

4. Before the decade passed a Navigation Act was passed stipulating that all English merchants should use English vessels only but that the shipowners should take reasonable gains only for the freight. There were of maximum rates fixed at by the king.

5. The Parliament petitioned the king that merchants shipping goods in foreign vessels, when English bottoms were available should forfeit the goods so shipped. If the king had not acceded to this extreme demand it was not however the fault of the shipowners who had initiated it.

6. But even this confiscatory demand was partially agreed to by laying down that "No subject shall import or export merchandise but in ships of the King's tregance in Statute 1 Chap. III."

Richard II who succeeded Edward III was no less eagar to preserve the entire commerce of England to her own nationals. Likewise successive monarchs proved stauncher supporters of English mercantile marine. With the coming of the Tudor line of soverigns England laid the foundations for a definite abiding national shipping policy. With Henry VII 1485 began the important principle that the ships of a country should be manned by the people of that country. This was continued by his successors as a basic factor in the British shipping policy. Henry VIII improved this policy further by laying down the following principles as the fundamental basis.

1. The value of the merchant marine to the Navy as a source of supply,

2. The value of the Navy to the merchant marine as a source of defence,

3. The development of the merchant marine through the limitation of the carrying of certain imports and exports to English vessels,

4. The maintenance of a supply of seamen for mercantile and naval purposes through the requirement that a majority of the mariners on English ships should be Englishmen.

Edward VI who succeeded relaxes the law relating to export of wines from Gascony in ship owned or partly owned by Englishmen.

7. 1629. Charles I Royal Proclamation requires English subjects to use English ships for their trade with the Baltic countries.

8. 1635 A.D. The Privy Council forbids English subjects to sail to a foreign colony on foreign ships.

9. 1651 A.D. Cromwellian Navigation Act requires all goods from Asia, Africa, or America to be brought into England or any English possession in English ships

10. 1660 A.D. (Charles II) Ships of England or of English possessions must be used in carrying imports or exports from English possessions in Asia, Africa, or America. No goods from *any part* of Asia, Africa, or America to be imported into England, Ireland, Wales, Jersey, Guernsey or Berwick, except in ships wholly owned in England or English possessions.

Besides promulgating laws as above stated aids were plentifully given; timber was reserved; nationals were forbidden to serve in shipping of other countries.

Coastwise vessels were forbidden to be used in overseas trade in order to prevent competition with English ships in foreign trade and also to encourage the building of large vessels. Further coastal trade was wholly restricted to English ships as early as 1562.

"No goods to be carried from one port or creek of this Realm to another port or creek of the same realm in any vessel whereof, any stranger or strangers-born be owners, shipmasters or partowners."

Having regard to the persistent manner by which the shipping industry of England generally and her mercantile marine in particular have been built up to the present leading position does it lie well in the mouths of English shipping interests to take advantage of the Government of India Act 1935 and to call every infantile effort of India to stabilise and develop her shipping industry in order a few thousands of her half-naked children might be usefully employed? Is this fair?

600 008

INDUSTRIAL PRODUCTION OF INDIA.

DESCRIPTION	MONTH OF OCTOBER 1935	MONTH OF OCTOBER 1936	MONTH OF OCTOBER 1937	SEVEN MONTHS, APRIL TO OCTOBER 1935	SEVEN MONTHS, APRIL TO OCTOBER 1936	SEVEN MONTHS, APRIL TO OCTOBER 1937
Jute :—						
I. Twist and Yarn (tons) ...	3,805	4,397	4,311	25,265	30,178	29,750
II. Manufactures (Yds.) ...	114,415,272	166,837,198	149,177,495	766,047,779	1,051,278,838	1,121,010,190
Paper (cwts) ...	80,316	78,301	87,079	562,050	565,262	585,512
Iron & Steel :—						
I. Pig Irons (tons) ...	141,386	126,653	157,854	860,939	891,148	949,266
II. Iron Castings & Mfrs. „ ...	5,241	7,878	8,713	50,322	58,468	71,431
III. Steel Ingots „ ...	73,262	76,499	87,860	486,759	487,397	535,458
IV. Semis „ ...	3,133	5,441	63,524	39,504	42,326	435,211
V. Finished Steel „ ...	55,595	52,829	56,703	338,203	357,728	382,461
Petrol (gallons) ...	1,399,095	1,445,700	1,357,755	10,065,776	9,781,609	8,600,809
Kerosene Oil „ ...	3,344,790	3,204,745	3,140,528	19,590,023	20,460,633	20,809,535
Cement (tons) ...	75,667	83,830	100,617	507,449	560,385	660,374
Sugar :—						
Khandsari (cwts) ...	1,989	1,587	168	29,175	25,987	15,842
Palmyra Sugar „ ...	17,446	31,795	6,510	124,096	134,990	71,804
Other Sugar „ ...	95,270	149,231	120,149	1,583,785	3,491,697	5,874,801
Matches :—						
Coloured Matches (gross) ...	31,181	39,476	54,497	139,290	118,033	141,152
All other Matches „ ...	1,867,130	1,646,945	1,761,762	12,555,946	11,822,531	12,590,542
Paints (cwts) ...	...	45,500	39,798	...	...	256,678
Heavy Chemicals :—						
Hydrochloric Acid (cwts) ...	...	...	1,366	...	...	11,905
Nitric Acid „ ...	...	...	1,056	...	...	8,035
Sulphuric Acid „ ...	53,461	54,762	56,906	322,767	311,079	382,486
Allum „ ...	...	...	6,537	...	...	26,751
Aluminium Sulphate „ ...	...	...	9,853	...	...	75,661
Ammonium Sulphate (tons) ...	1,559	1,585	1,665	10,494	10,367	10,695
Ferrous Sulphate (cwts) ...	...	...	840	...	...	5,151
Magnesium Sulphate „ ...	...	...	4,887	...	...	35,357
Sodium Sulphate „ ...	...	...	2,272	...	...	11,790

DESCRIPTION	MONTH OF OCTOBER 1935	MONTH OF OCTOBER 1936	MONTH OF OCTOBER 1937	SEVEN MONTHS, APRIL TO OCTOBER 1935	SEVEN MONTHS, APRIL TO OCTOBER 1936	SEVEN MONTHS, APRIL TO OCTOBER 1937
Cotton Yarn :—						
India including States (lbs) ...	87,771,155	86,034,735	102,179,944	605 790,453	619,059,947	653,005,289
Madras „ ...	9,651,032	11,034,971	12,435,387	64,777,558	76,690,757	84,044,795
Cotton Goods :—						
India including States (yds) ...	300,697,494	285,519,679	356,818,607	2,049,427,568	2,058,130,464	2,331,229,416
Madras ...	6,389,705	7,214,070	7,878,228	47,010,026	44,631,080	51,991,637

Commerce

Madras Commerce Report for the Month of February 1938.

ISSUED BY THE DIRECTOR OF INDUSTRIES, MADRAS

Commodity Values in the month of February 1938 :—

There have been few occasions in recent years when a confident forecast as to the economic outlook was as difficult to make as at present, as for one thing events are more than usually dependent upon the incidence of policy, especially in the United States of America. In the month of February, the international background remained unpropitious and has since worsened, while on the world economic front, there was no fundamental change. There is hardly a country which has not been adversely affected by the decline in world production and trade during the last six months, though the extent of the set back has been far from uniform. Activity in most countries is now either marking time or declining. The position in the United States of America continues unpromising and it is difficult to envisage a sustained expansion of business activity in that country in the immediate future, though on the longer view, prospects may appear somewhat more favourable. The Federal Reserve index of production reached a bottom of 60 during the difficult days of 1932. The level of 81 for January and an estimated level of 80 for February may represent a bottom from which a recovery may emerge in some degree under current conditions. Discussion continues unabated as to whether the world is faced with a slump or merely a recession in business. The views of a dozen well known American professional economists were obtained recently by a journal in the United States. The economists were unanimously of opinion that the present 'depression' would be less severe than that of 1929. All but one thought that recovery would begin during the present year. A little more than half of them thought that recovery would become evident in the last six months, the others considered that it would begin before June. This is encouraging so far as it goes although it must be remembered that only three or four months ago, it was generally considered that there was a reasonable hope of recovery coming in the spring, and this has already been falsified. February was a quiet month for the commodities in which Madras is interested. Following the enactment of the Farm Bill in the United States, cotton was fairly steady. The depressing conditions ruling in the cloth market in January continued in February and at the end of the month there were still large stocks in dealers' godowns. The tanned hides market was quiet in the first part of the month although prices steadied up somewhat later. The tanned goat skins and tanned sheep skins markets were quiet and easier, the improvement anticipated at the end of the previous month failing to materialise. On the other hand, groundnut staged a welcome recovery and closed higher. Prices of paddy and rice underwent little alteration. The pepper market was dull at the beginning of the month, but towards the end it firmed up owing to fair Indian and slight European demand and closed steady. Owing to buying by Bombay merchants against sales in Europe the ginger market advanced during the latter part of the month and closed firm. The coir yarn market was dull and prices declined. Values of copra and coconut oil appreciated a little in response to a slightly improved demand. The sugar market closed steady with prices higher on balance. The demand during February for locally manufactured acids and chemicals was only fair.

Groundnuts :—

The demand for groundnuts was poor and prices receded in the early part of the month. Subsequently export demand improved and prices were on the upward trend. The average wholesale prices of standard varieties at the main producing centres were as follows:

PER CANDY OF 531 lbs.

28th January 1938	Rs. 19-8-0 to Rs. 23-0-0
25th February 1938	Rs. 21-0-0 to Rs. 23-4-0

Paddy and Rice :—

The demand for paddy and rice was normal and prices were firm with an upward tendency. The average wholesale prices of standard varieties at the main producing centres were as follows:

INDIAN PADDY PER BAG OF 170 lbs.

28th January 1938	Rs. 4-0-0 to Rs. 4-10-0
25th February 1938	Rs. 4-0-0 to Rs. 4-11-0

INDIAN RICE PER BAG OF 170 lbs.

28th January 1938	Rs. 6-4-0 to Rs. 7-2-0
25th February 1938	Rs. 6-4-0 to Rs. 7-2-0

RANGOON RICE, RAW BROKEN A-1 PER BAG OF 220 lbs.

31st January 1938	Rs. 8-0-0	Madras.
28th February 1938	Rs. 8-2-0	

CALCUTTA RICE (NAGARA) BOILED PER BAG OF 164 lbs.

31st January 1938	Rs. 6-12-0	Madras.
28th February 1938	Rs. 7-2-0	

Coconut Products :—

On account of less European and Indian demand and good arrivals, prices of Quilandy yarn declined but closed steady. Prices of Beypore yarn declined due to a falling off in Arab demand. European demand for Cochin yarns was very poor, but Calcutta continued to buy, otherwise prices would have declined further. There was a little better demand for copra and coconut oil during Feburary and on balance prices appreciated slightly.

Cotton :—

Tinnevellies :—A few hundred bales of various grades of old crop were bought up by some of the mills at Madura at rates ranging from Rs. 210 to Rs. 180 per candy of 784 lbs. At the end of February, there was still a fair amount of last year's cotton carried over to the new season. The first arrivals of new crop cotton came into Virudhunagar at the end of February and initial transactions were put through at Rs. 185. Prices however, declined, gradually to Rs. 170. No business was done at other centres although pickings have started in most areas.

Cambodia :—A fair business continued to be done in old crop with Coimbatore mills the only buyers at prices ranging from Rs. 230 per ton to Rs. 200. New crop arrivals from Salem district began to arrive by the middle of February and the first arrivals from Coimbatore district appeared by the end of the month. Salem Cambodia promises to be of much the same quality as last year and first arrivals at Tiruppur and Coimbatore also indicate normal qualities for these areas. Salem Cambodia was first transacted at Rs. 225 and declined to Rs. 200 by the end of February.

Sugar :—

The Madras sugar market was firm during the earlier part of February and prices gradually increased to the level of Cawnpore quotations owing to irregular arrivals, low stock position, good demand from interior markets and higher basic prices fixed by the Indian Sugar Syndicate. There was also some speculative business in the first half of the month by dealers who anticipated an increase in excise duty. Later, owing to a rumour from Cawnpore that Excise duty would be lowered, dealers began to clear stocks at best market rates and consequently prices declined slightly. The market closed steady with little business passing pending the Budget announcement. Madras prices of North Indian sugars ranged from Rs. 21-8-0 to Rs. 22-8-0 per bag of two cwts. in February as compared with Rs. 20-11-0 to Rs. 21-14-0 in January. Up-country markets were steady and prices improved in sympathy with the Cawnpore market.

Tanned Hides and Skins :—

Tanned Hides :—In the first part of February, the market was quiet due largely to the fact that the question of the New Standards had not been settled. Eventually, however, factors in the United Kingdom agreed to shippers' terms with the result that an improved demand set in. The United Kingdom trade, however, was still quiet with America showing little interest. For the last part of the month prices remained steady on the following basis:

Primes $5\frac{1}{2}$ lbs. $14\frac{1}{8}$ d., Primes $8\frac{1}{2}$ lbs. 12 d., Cocos $7\frac{1}{2}$ lbs. $12\frac{1}{4}$ d.

Tanned Goat Skins :—In spite of the fact that business at the end of January and the beginning of February showed a little livelier tone this was not maintained subsequently. The prices realised during the temporary improvement declined slightly and whereas it was anticipated that business could be done in all round lots, buyers were asking for goods to fit their special requirements. The volume of business in tanned goat skins during the last three weeks of the month was restricted. The smaller tanners were not sending any skins to the market and the larger tanners were shipping their stocks to the United Kingdom on consignment.

Tanned Sheep Skins :—The tanned sheep skins market was very patchy during February with business passing only in special lines, and no large orders were placed. The market declined in London by about 2 d. per lb. owing to one or two holders of rather large stocks wishing to clear them.

Shipments during February were as follows:

Goat	Sheep	Hides	Cow calf.	Buffs.	Buff calf.	
852	930	1838	76	191	75	Bales.

Annexure.

WHOLESALE PRICES OF COMMODITIES RULING IN THE MARKETS MENTIONED ON 25TH FEBRUARY 1938

Commodity.	Market.	Quality or Variety	Unit.	Price.
Cotton	Tirupur	Cambodia	per cdy. of 520 lbs.	Rs. 160 to Rs. 165
do.	do.	Karunganni	do.	Rs. 150 to Rs. 160
Groundnuts	Nandyal	Machine shelled	do. 531 „	Rs. 21-10-0
do.	Coimbatore	do.	do.	Rs. 21-12-0
Pepper	Tellicherry	Garbled	per cwt. F.O.B.	Rs. 17-0-0
Paddy	Tenali	Kusuma	per bag of 164 lbs.	Rs. 4-6-5
Rice	do.	do.	do.	Rs. 6-14-0
Coir yarn	Alleppey	Allapat	per cdy. of 672 lbs.	Rs. 60 to Rs. 80
Copra	Cochin	...	do. 655 „	Rs. 44-0-0
Coconut oil	do.	...	do.	Rs. 67-0-0
Jute	Vizianagram	Bimli	do. 506 „	Rs. 35-0-0
Tobacco	Erode	1st quality	per md. of 28 lbs.	Rs. 5-3-0

Market Reports

MADRAS—*1st April 1938.*

	Rs.	A.	P.
Cotton Yarn (5 lb. bundles)			
80's			
Madura Mills	6	9	0
60's			
Coimbatore Pioneer	5	1	0
Lakshmi	5	1	0
Pankaja	5	0	0
Manchester (T. Red Peacock)	10	0	0
Japanese (Pagoda 10 lbs)	10	5	0
40's			
Coimbatore Mills (10 lbs).	6	14	0
20's			
Coimbatore Mills (10 lbs).	4	10	0
Silk Yarn (per lb)—			
Japan White—			
20 × 22	5	14	6
13 × 15	6	1	6
Japan Yellow—			
20 × 22	5	11	0
Canton—			
20 × 22	5	0	0
28 × 32	4	15	0
Japan Thrown Silk—			
White 20 × 22	7	10	0
Yellow 20 × 22	7	9	0
Cotton Piecegoods—			
Grey Mulls—			
"Mongoose Snake" 22 × 22 (B)	6	13	0
"Two Rats" 22 × 22 (B)	5	12	0
Bleached Grey Mulls—			
"Mongoose Snake" 22 × 22 (B)	7	8	0
"Two Rats" 22 × 22 (B)	6	4	0
White Mulls—			
1703	9	12	0
Glasgow 9000	9	9	0
1702	8	10	0
9041	8	4	0
LL 73	6	5	0
83/888	9	12	0
Metals (500 lbs.)—			
Yellow metal sheets "Dittman"	164	0	0
I.C.C.	163	0	0
Copper Sheets	216	0	0

	Rs. A. P.
Cement—	
"Nilgiri" 1 cwt. bag	2 2 0
"Charminar"	2 2 0
"Hand" Brand per cask	9 2 0
„ per bag of 94 lbs. ...	2 4 0 to 2 6 0
Sugar (per bag of 2 cwt).	
"Champaran"	23 1 9
Java	26 0 9
Hides and Skins—	
Tanned Hides—	
Bangalore 8 to 8½ lbs.	0 8 9 to 0 9 0
Up-countries	0 8 6 to 0 8 9
Coasts	0 9 0 to 0 9 3
Tanned goat—	
Good	1 8 0 to 1 9 0
Fair	1 7 0 to 1 8 0
Common	1 6 0 to 1 7 0
Tanned Sheep—	
Good	1 9 0 to 1 10 0
Fair	1 7 0 to 1 8 0
Common	1 6 0 to 1 7 0
Oil Seeds—(Machined)—	
Groundnut (531 lbs.)	21 0 0
Castor seed (165 lbs.)	9 12 0
Produce—	
Rice Boiled Cocanada (160 lbs.)	6 4 0
„ Calcutta Nagara (164 lbs.) ...	6 12 0
„ Raw Rangoon Broken A. 1. (220 lbs.)	7 12 0
Jaggery-1st quality (500 lbs. Baram) ...	22 0 0
Turmeric (500 lbs. Baram)	54 0 0
Pepper—	
Tellicherry Pure (23 lbs. maund) ...	4 0 0
Bydgi	6 0 0
Dry Ginger 500 lbs. candy Calicut ...	105 0 0
Chillies (Trichy) per candy of 500 lbs. ...	84 0 0
Potatoes (Ooty) Kitney Round Uru per candy of 500 lbs. ...	19 0 0
Do. Rasi Do. ...	18 0 0
Do. Podi Do. ...	17 0 0
Ghee per tin of 12 visses	19 8 0
Butter-Tenali Special per tin of 12 visses ...	17 8 0
Do. Gudivada Special	16 4 0
Soapnuts per candy of 500 lbs.	43 12 0
Tamarind Bangalore per candy of 500 lbs. ...	31 8 0
Coriander Seeds (Cuddapah) do. ...	45 8 0
Do. (Guntur) do. ...	42 0 0
Hand Pounded Rice Raw (Molakulukulu) per bag of 32 measures	8 6 0
Honey Dindugul per 1 lb.	0 6 9

Bangalore—Mysore Chamber of Commerce

Silk:—There has been no change in the market during the week and prices are steady. The goods are moving well.

	Rs.	A.	P.		Rs	A.	P.
Kempanaballi Silk per seer of 26½ tolas ...	3	0	0	to	3	2	0
Sidlaghatta do. do. ...	3	6	0	to	3	10	0
Closepet do. do. ...	2	8	0	to	2	10	0
Chickballapur do. do. ...	3	2	0	to	3	4	0
Kyalanur do. do. ...	2	14	0	to	3	0	0
Mudavadi do. do. ...	2	10	0	to	2	11	0
Channapatna do. do. ...	2	5	0	to	2	7	0
Kollegal do. per maund of 1000 tolas	80	0	0	to	110	0	0
Silkwaste do. per maund of 28 lb.	10	0	0	to	11	0	0
Tamarind per 210 lbs. of 8 mds. ...	10	0	0	to	16	0	0
Coffee-Nilgiri Peaberry per cwt. of 112 lbs. ...	58	0	0	to	60	0	0
Do. Plantation (P.B.) of 112 lbs. ...	45	0	0	to	50	0	0
Do. Native (P.B.) per cwt. of 112 lbs. ...	36	0	0	to	38	0	0
Do. Nilgiri Parchment per cwt. of 112 lbs. ...	40	0	0	to	42	0	0
Do. Plantation per cwt. of 112 lbs. ...	30	0	0	to	35	0	0
Do. Native Flat per cwt. of 112 lbs. ...	26	0	0	to	30	0	0
Arecanut per 25 lbs ...	7	8	0	to	9	0	0
Turmeric per 28 lbs ...	2	12	0	to	3	8	0
Pungam or Hongey Oil per 28 lbs. ...	3	0	0		...		
Castor Seeds per palla of 100 seers ...	...				8	0	0
Groundnut Oil per maund of 960 tolas ...	...				1	13	0
Castor Oil do. ...	...				2	12	0
Javari per palla of 100 seers ...	5	4	0	to	5	6	0
Ragi do. ...	4	0	0	to	4	6	0
Groundnut Oil Cake per ton ...	45	0	0	to	47	0	0
Castor Oil Cake per ton ...	...				35	0	0

Cocanada—Godavari Chamber of Commerce

		Rs.	A.	P.		Rs.	A.	P.
Sarva Paddy per bag of 166 lbs. nett Loose ...		4	1	3				
Raw Rice per bag of 164 lbs. nett Loose No. 1 (Mill) ...		6	0	0				
Horse Gram with gunny	Do. ...	5	3	0				
Green Gram	Do. ...	7	2	0				
Black Gram	Do. ...	6	12	0				
Red Gram Big	Do. ...	7	0	0				
Do Small	Do. ...	6	10	0				
Fenugreek	Do. ...	15	4	0				
Mustard	Do. ...	11	12	0				
Coriander Seed	Do. ...	14	4	0				
Castor Poonac	Do. ...	3	0	0				
Castorseed country	Do. ...	9	2	0				
Gingellyseed White	Do. ...	12	8	0				
Do black	Do. ...	12	8	0				
Cotton seed per bag of 150 lbs. nett	Do. ...	3	8	0				
Cane Jaggery Per Candy of 500 lbs nett	Do. ...	20	0	0	to	22	8	0
Chillies country Loose	Do. ...	75	0	0				
Turmeric Do. No. 1	Do. ...	50	0	0				
Castor Oil (Factory)	Do. ...	62	8	0				
Ground nut oil	Do. ...	46	8	0				
Ghee No. 1	Do. ...	220	0	0				
Ghee No. 2	Do. ...	200	0	0				
Tobacco Pauty No. 1	Do. ...	120	0	0	to	140	0	0

The Bombay, Millowners' Association.

PIECE-GOODS.

Grey, Unbleached:—

	Inches	Yards	Lbs.	Per lb.	Rs.	A.	P.
Longcloth (Standard Quality)	37	37½	9	„ ...	0	9	8
„ (Fine Quality).	44	38	7¾	„ ...	0	15	6
Shirtings ...	35	38	9	„ ...	0	9	3
„ (Vegetable Quality).	37	37½	9	„ ...	0	8	10
Leopard Cloth ...	43	38	11½	„ ...	0	9	3
Dhoties (upto ½" nakhi Border) ...	32	9	1¾	„ ...	0	10	3
„ Calcutta, ⅝" P.B.	44	10	1 11/16	„ ...	0	14	5
Drills ...	29½	40	13½	„ ...	0	7	10
Domestics ...	35	40	13¼	„ ...	0	8	2
„ ...	35	40	12	„ ...	0	7	11
Salita	40	66	25	„	Not quoted		
Chadars ...	50	6	2¼	„ ...	0	9	7

White Bleached:—

	Inches	Yards	Lbs.	Per	Rs.	A.	P.
Longcloth ...	34	40	...	Per Piece ...	10	8	0
Drill ...	27	42	...	„ ...	8	0	6

Yarn:—

					Per	Rs.	A.	P.
4s (All Waste)	...	...	...	...	Per lb.	0	3	10
6½s „	...	...	...	...	„ ...	0	4	2
8½s	...	...	...	...	„ ...	0	5	4
10½s	...	...	...	...	„ ...	0	5	8
12½s	...	...	...	...	„ ...	0	6	0
16s	...	...	...	...	„ ...	0	6	9
20s	...	...	...	...	„ ...	0	7	4
24s	...	...	...	...	„ ...	0	8	0
32s	...	...	...	...	„ ..	0	9	4
40s	...	...	...	...	„ ...	Not quoted		
60s	...	...	...	...	„ ...	1	0	6
80s	...	...	...	...	„ ...	1	6	5

VISIT KODAIKANAL HILLS THIS SUMMER

1. For the convenience of the travelling public a railway out Agency has been opened at KODAIKANAL HILLS from 1st March 1938. Passengers will be conveyed in motor buses by the Out Agency Contractors from and to Kodaikanal Road station. Parcels and goods of all descriptions (except live stock, dangerous goods and carriages on their wheels) will also be accepted for booking.

2. The Out Agency Charge for the road journey (single) is Rs. 2-8-0 for each 1st or 2nd class adult ticket and Rs. 1-8-0 for each adult third class ticket.

3. From 1st March 1938 up to 31st August 1938 cheap 1st and 2nd class return tickets at 1½ fares available for 45 days from the date of issue are issued from and to Kodaikanal Out Agency to and from stations over 100 miles distant from Kodaikanal Road station on this Railway (Niligiri and Shoranur-Nilambur Railways excepted).

4. An Out Agency fare of Rs. 5/- will be charged extra for each 1st or 2nd class Return ticket. The Return Tickets will not be issued to Kodaikanal Road station.

5. Children above three and under twelve years of age will be charged half the fares.

S. I. R.

FOREIGN AND COASTING TRADE

MADRAS PROVINCE

Merchandise Imports from and Exports to Foreign Countries.

		Imports			Exports			
		1935 Rs.	1936 Rs.	1937 Rs.	1935 Rs.	1936 Rs.	1937 Rs.	
January	...	157,99,300	137,38,866	143,11,157	218,33,602	257,01,991	315,48,902	... January
February	...	146,59,788	120,83,470	110,87,550	192,12,672	248,39,917	372,91,609	... February
March	...	161,14,046	135,00,819	143,76,715	286,37,064	302,33,604	480,04,037	... March
April	...	122,13,674	113,44,676	235,27,846	192,20,180	269,15,992	351,61,208	... April
May	...	132,25,254	125,94,566	255,10,528	201,46,644	288,29,920	336,50,600	... May
June	...	119,42,536	139,74,674	235,19,653	261,10,582	284,96,509	348,16,106	... June
July	...	113,85,568	147,65,640	282,82,961	201,97,409	264,28,296	373,45 513	... July
August	...	125,20,498	118,61,537	229,18,142	237,74,976	315,64,479	289,72,685	... August
September	...	133,02,850	113,05,835	312,77,968	167,49,320	282,09,176	310,33,428	... September
October	...	149,48,115	143,21,283	191,48,802	208,50,382	240,54,306	276,31,179	... October
November	...	146,66,980	112,01,240	224,76,438	215,26,892	24[illegible],07,848	256,54,502	... November
December	...	135,77,011	115,12,005	181,99,513	197,75,480	265,38,618	253,45,214	... December

External Coasting Import and Export Trade (Indian and Foreign Merchandise) of Madras Province

(Burma included in January—March and November—December)

		Imports			Exports			
		1935 Rs.	1936 Rs.	1937 Rs.	1935 Rs.	1936 Rs.	1937 Rs.	
January	...	176,36,060	115,21,163	179,53,613	90,44,227	85,73,253	100,90,144	... January
February	...	201,48,617	225,51,418	135,97,802	90,94,201	78,11,873	71,56 668	... February
March	...	184,88,593	210,60,466	226,42,283	87,54,041	80,61,703	96,87,603	... March
April	...	61,71 585	83,67,195	80,61,102	67,32,259	47,82,179	91,15,166	... April
May	...	76,43,143	77,07,302	72,71,028	82,27,877	60,64,205	8,22,969	... May
June	...	76,66,494	108,73,119	132,69,348	102,64,508	44,01,881	59,98,376	... June
July	...	76,92 346	66,91,570	104,41,462	44,81,014	50,65,684	46,18,492	... July
August	...	55,11,222	99,86,164	93,15,567	54,95,524	55,94,760	70,46,372	... August
September	...	66,51,497	51,14,515	72,58,936	33,54,661	44,32,044	47,07,120	... September
October	...	66,78,771	64,56,004	61,40,536	49,37,204	59,89,842	63,82,223	... October
November	...	178,24,204	122,49,765	81,29,636*	67,63,244	65,32,097	55,43,058*	... November
December	...	116,60,502	118,82,480	79,75,652*	58,48,223	59,58,213	56,87,737*	... December

* Burma figures not included.

M. & S. M. RAILWAY

Daily Express Goods Train Services Run

1. between **Madras and Calcutta** (Shalimar) for through traffic in wagon loads and smalls, transit **5 days!**

2. between **Raichur** and **Madras** serving important stations *enroute* and stations *via* **Guntakal** and **Renigunta Junctions,** through transit **28 hours!**

and

3. a Daily Fast Goods Train service runs between **Madras and Bangalore** serving important stations *en route!*

Your goods will be despatched by these quick services for no extra charge.

See your local Station Master and take advantage of these services.

(WHEN WRITING TO ADVERTISERS PLEASE MENTION SOUTHERN INDIA COMMERCE.)

A CLEAN TEST TO SATISFACTION
THE SOLID PROOF OF RELIABILITY

INDIA FOR D. C.

Our Factory had the honour of a visit from Sir James Pitkeathly, in August 1934 accompanied by the Controller and Assistant Controller of Inspection.

In his presence, under his instructions were taken out 16 fan motors at random, out of a lot of over 200; all of them dismantled and parts mixed up. Four of them were reassembled—out of the mixed up parts—and were subjected to rigid tests. Here is what Sir James Pitkeathly was pleased to say.

GOVERNMENT OF INDIA.
Indian Stores Department,
No. A 201 OFFICE OF THE CHIEF CONTROLLER OF STORES.

Dated Simla, the 20th April 1935.

FROM

THE CHIEF CONTROLLER OF STORES,
INDIAN STORES DEPARTMENT,

To

Messrs. The India Electric Works Ltd.,
25, South Road, Entally,
Calcutta.

Dear Sirs,

I acknowledge receipt of your letter dated the 11th April 1935. You are at liberty to publish the fact that I ordered a test to be made for interchangeability of the various component parts of your fans and that I was entirely satisfied with the results.

With regard to additional orders for fans, you will be given every opportunity to tender for any fan requirements which this Department is from time to time handling.

Yours faithfully,

Chief Controller of Stores.

Very many thousands of INDIA and BHARAT FANS are in regular use in the various public and Government buildings all over India since the last 15 years, serving to entire satisfaction and their economical running costs are a recognised fact, besides other excellent qualities. You ought to possess them.

BHARAT FOR A. C.

ASK: The India Electric Works Ltd.,
12-A, Lingha Chetty Street
Post Box No. 232 :: :: MADRAS
TO SEND YOU PARTICULARS.

(WHEN WRITING TO ADVERTISERS PLEASE MENTION SOUTHERN INDIA COMMERCE.)

A Rejoinder to Pandit K. Santanam.

(SAUMYA)

(Pandit K. Santanam in his speech as the President of the 10th Annual General meeting of the Indian Life Assurances Offices Association held at Lahore on 15th March 1938, severely criticised the members of the Indian Legislative Assembly for their acts of omission and commission in regard to the Indian Insurance Bill passed recently by the Central Legislature. The following article is a reply to the criticism of the Pandit).

Pandit K. Santanam, the retiring president of the Indian Life Assurance Offices Association has been worse than unchivalrous to the members of the Central Legislative Assembly and ungenerous if not ungrateful to the Hon'ble the Law Member in his Presidential address delivered on the 15th inst. at Lahore.

After three years of hard work as the President of the Association particularly in connection with the new law on Insurance business he might have spared himself this unpleasant speech and could, in fairness to himself, feel gratified that he was not in no small measure responsible for raising the status of Indian Insurance Companies and putting them on a road for further easy development. But the very love he has for Insurance in this country and the zest he has for business in general make him a critic of his own achievements at the same time intolerant of criticism by and impatient of ignorance of others less experienced than he in this business.

He roundly accused the legislators of ignorance and lack of sense or commonsense and the Law Member Sir Nripendra Sircar of stupidity superadded to obstinacy. On the whole the Pandit characterised the whole House a valley of self-opinionated jackdaws, a den of dunderheads or a wayside inn of knighterrants. The little good that this House has done in this piece of legislation was on account of the sage counsels of the Insurance Legislation Committee of which he was the Chairman and all the evil which infested it was all of the legislators' making. Such was the trend of the whole speech.

Pandit Santanam is usually of an unperturable temperament and if he let himself go in this strain on this occasion I can only ascribe to acerbity caused by many unpleasant exposures of the methods of the managing agents by the Law Member and the compulsory evacuation of the managing agency system after a lapse of three years which the House has managed to insert in the law. There were many in the House who resented the names which the managing agents were called by so high an authority as the Law Member of the Government of India on considerations of good manners and gentlemanly conduct but there were few who dissented from him on factual considerations. It is usual with some well-intentioned old men to be angry with those whom they want to reward. Such, many opined, was the motive of Sir Nripendra Sircar who struggled his best to help the Indian Insurance business.

Mr. Santanam, if he had taken the abuse of Sir Nripendra at its face value might be justified to pay him in his own coin but what excuse he has for his taking the poor legislators severely to task passes one's understanding. The legislators have studied the propagandistic leaflets, books-small and big-with assiduity listened to personal representations of big and small companies, agents, employees and auditors with remarkable patience and tried to do justice to them according to individual sense of justice and fairplay. Perhaps in this affability of the legislators to all views and opinions of all interests concerned Mr. Santanam finds a grievance against the legislators. The Pandit is nothing if not a shrewd businessman. His farsightedness has prompted him to be more uncharitable if not unfair to the legislators whose capacity to further interfere in this measure is practically over, than the Law Member who still has got a good deal to do before the Act could be put into operation.

After all what were the faults of the legislators to merit this undeserved criticism?

(1) Sufficient protection was not given to the Indian Companies.

It was well known that the purpose of the Indian Assurance Offices' Association has been to eliminate competition on the one hand from foreign companies and on the other younger or weaker Indian companies. It was this latter which compelled the younger companies to band themselves together separately from the bigger ones and struggled for existence. No big company was free during its early stage from the several practices which younger companies are now blamed for adopting them. So that when the big companies pleaded for protection on the ground of being sons of mother India they were only pleading for themselves and not for the nation's good as alleged. This talk of national good is all superficial. Yet the legislators were not concerned with the selfish motives of big businessmen and did really strive their best to get protection to the Indian Insurance companies within the limitations imposed by the Government of India Act. Mr. Santanam charges the Opposition with cowardice because it fell a victim to the threat of the Law Member of the withdrawl of the Bill if more was insisted upon. True. That, however, was the ignominy which the Opposition had to suffer on account of the big Insurance Companies. Mr. Santanam and his talented troupe of managing agents, managers, Chief agents and Actuaries were in Simla all the while. Had he ever hinted to the Opposition that the wreck of the Bill would be preferable to this monster? If not, why not? Was it not a fact that some Indian companies stood to lose some of their foreign business if 10% Re-insurance in the Indian companies was insisted upon?

(2) *Business considerations and the welfare of the industry in India as a whole were generally relegated to the background.*

This is a very unkind criticism. If "Business considerations" meant the injunctions of the Insurance Legislation Committee and "Industry in India" signified "the exploitation by the managing agents" Pandit Santanam was correct. It is too nonsensical to expect that the legislators should personally be in a matter or a business before they sit to legislate on that matter or business. It is enough if they are apprised of the different points of view and this was done in an abundant measure in this legislation. The Pandit characterises the debates on the Bill as "nonsensical" and also quotes in his support a similar testimonial of another of his fraternity in foreign insurance. Yes. Both may feel quite pleased with each other in ridiculing the legislators but this mutual agreement of deprecation of others is only a little worse than the mutual admiration of the Camel and the Ass of the beauty of shape of the one and the beauty of music of the other.

Mr. Santanam reminds the legislators that the Insurance companies themselves are interested in giving the greatest benefit to their customer, the policy holder and suggests that it was an act of super-arrogation if not impertinence on the part of the legislators to speak or champion the cause of the policy holder. This is indeed a fine piece of causistry which the legislators are generally familiar with for they so often hear it from British rulers of their solicitude for the masses of this country. Even so recently as the last Budget session the Member for Railways, Sir Thomas Stewart, complimented the exploited, neglected and starved third class passenger as the best customer for Railways.

Investments:—

"The most unsatisfactory feature in the whole Bill as regards Life Insurance Companies is the provision regarding investment of funds contained in Section 27 of the Bill as finally passed." This Section requires that 55% of the Funds of the Insurance Companies to be invested in "approved securities" which comprise the Government securities including Provincial Loans, Port Trusts and Municipal Debentures of Presidency towns The 45% of the funds may be invested in several ways of which a long list is appended. 25% alone of the funds need be compulsorily invested in Government securities as against $33\frac{1}{3}\%$ required as per provisions of the original bill. The fear that the companies are deprived of the privilege and patriotic service to the nascent industries of the country is too fanciful. The past policy of the companies does not betray any desire on their part to help the industrial concerns. Mr. Santanam himself admits "Indian Insurance Companies have not been doing this in any considerable measure in the past" and some leading companies take pride in the fact that a high percentage of their funds are locked up in Government securities. Anyhow the country's economic development will not be materially affected so long as Government loans are used for public utility undertakings and so long as the balance available for direct investments by the companies in any industrial undertakings is as much as 45% of the funds.

Mr. Santanam is sorry for the policy holder who by the above restrictive investment policy, will be deprived of "profits" otherwise possible. His tears for the policy holder are needless because the removal of the managing agents will leave a large balance of surplus which would more than compensate the loss that might be sustained by avoidance of investments in hazardous enterprises. His sympathy for the policy holders may be more effectively shown by inducing his brother companies to revise their Premium Tariffs more favourably and affording them other facilities. In one part of his speech he complains that some companies gave rebate to policy holders officially in the form of free trips to Hill Stations. Why should he complain against such facilities being given to policy holders? In my opinion giving of such facilities as medical attendance and trips to Hill Stations to recoup the health of the policy holders is a progressive reform in the services of the Insurance Company. When a company can afford to give these rebates from the profits earned on the accumulated premia it would be a piece of inexcusable exploitation not to return a portion of such earnings to the mutual benefit of the assured and assurer. At present Insurance business is one the profits of which are wholly dependent on the social work of bodies other than insurers. The business contributes nothing for the general welfare of the assured. It consists of merely sending reminders for the due payment of premia and collection. It gives no medical help or nor does it contribute to local bodies for the sanitary and medical amenities they afford. To fire brigades some local bodies maintain the Fire Insurance contributes nothing though the service is used for protecting the properties assured.

In several cases the premia rates paid by an assured if he has the misfortune to survive the term of the policy are more than the amount payable to the assured at the time of maturity; and the rate of interest charged on security of policies is as high as 8% with half-yearly rests. It is hoped that the copious sympathy for the policy holder expressed by Mr. Santanam may induce him to take to "healing his bretheren" in the business.

THE INDO-CARNATIC BANK LTD.,

Head Office:—**99, Armenian St., Madras**

Branches:

BANGALORE CITY	KARAIKAL	MADURA
DEVAKOTTAI	KUMBAKONAM	MANGALORE
HYDERABAD (Deccan)	KURNOOL	NEGAPATAM

1. **Deposits will be received as detailed below:—**
   - (*a*) **Fixed:—** for one year at 4% per annum
   - (*b*) **Savings Bank:—** 1. At $3\frac{1}{2}\%$ per annum on daily balances 2. Withdrawals by cheques 3. Withdrawals maximum Rs. 300 a week
   - (*c*) **Current:—** At $1\frac{1}{2}\%$ per annum from January to June; 1% per annum from July to December
2. **Bills and Cheques negotiated at favourable rates.**
3. **Drafts will be issued on all principal stations.**

ALL OTHER KINDS OF BANKING BUSINESS TRANSACTED

(WHEN WRITING TO ADVERTISERS PLEASE MENTION SOUTHERN INDIA COMMERCE)

Transport

S. I. R.

Facilities for passengers.

In order to meet the wishes of the travelling public, it is proposed to open, as early as possible, train-halts at the places mentioned below:—

(1) at mile B. 418/12-13 between West Hill and Elathur stations on the Calicut—Mangalore section.

(2) at mile B 414/6 between Calicut and West Hill on the Calicut—Mangalore section.

(3) at mile E. 226/9-10 between Perugamani and Pettavaithalai station.

(4) at mile Q. 370/13-14 between Rajapalaiyam and Cholapuram stations on the Virudhunagar—Tenkasi section.

(5) at mile Q. 508/15-16 between Kazhakuttam Trivandrum Pettah from 25-3-1938.

Cheap Returns tickets.

It has now been decided to issue first and second class return tickets at 1½ fares from Kodaikkanal Hills Out-Agency to stations over 100 miles distant from Kodaikkanal Road station, during the summer months

Special Rates.

The attention of the public is drawn to the following special rates recently introduced for wagon loads.

Description of Goods	From	To	Schedule Rates Rs. A. P. Per md.
Bricks ...	Mangalore ...	Bezwada (via Jalarpet and Madras).	0 6 11
	Edakkolam...	Do. ...	0 6 10
	Ferok ...	Do ...	0 6 10
	Palghat ...	Do. ...	0 6 10
Fruits Fresh Lime or Lemons	Madras ...	Shalimar and (via Waltair).	1 11 8
	Venkatagiri.	Do. ...	1 9 8
	Katpadi ...	Shalimar and (via Madras and Waltair).	1 12 10
	Mailpatti ...	Do. ...	1 13 8
Glassware ...	Madras ...	Davangere (via Arkonam).	1 2 4
Grain and Pulses...	Lakshannath Road.	Madras and (via Waltair).	0 11 2
	Nekurseni ...	Do. ...	0 10 10
	Vishnupur ...	Do. ...	0 11 9
Grain, pulses and seeds common.	Via Agra Cant.	Cuddalore Jn. (Via Balharshah. Bezwada, Madras and Arkonam).	0 13 10
	Via Cawnpore Central Goods Shed ...	Do. ...	0 13 10
	Via Gwalior.	Do. ...	1 0 11
	Via Idgah (Agra).	Do. ...	0 13 10
Grain, pulses and seeds common.	Via New Delhi.	Cuddalore Jn. (Via Balharshah, Bezwada Madras and Arkonam).	0 14 0
Leather ...	Via Bangalore City.	Madras ...	0 6 9
Oils Div. C. Cocoanut Oil.	Ernakulum	Nidadavolu 'Via Jalarpet, and Madras.'	0 13 1
Oils Div. C.-Fish Oil.	Calicut ...	Shalimar and (Via Jalarpet, Madras and Waltair).	1 4 0
	Tellicherry...	Do. ...	1 4 0
	Cannanore ...	Do. ...	1 4 0
	Ernakulum ...	Do. ...	1 4 0
Pepper ...	Calicut ...	Shalimar and (Via Jalarpet, Madras and Waltair).	1 4 2
Piece-goods, Cotton, Woollen or artificial Silk, in bales press packed and bound with iron bands or steel wire or packed in boxes or cases.	Madura ...	Manmand (Via Arkonam and Raichur).	2 13 11
Piece-goods, Cotton, Woollen or artificial Silk not press packed or not-packed in boxes or cases.	Kallidaikurichi.	Via Howrah (for traffic to Bansabati (Via Arkonam, Madras and Waltair).	3 6 1
Turmeric ...	Via Jalarpet (for traffic from Erode)	New Delhi (Via Bezwada and Balharshah).	2 0 2

Postal Notice.

Will effect from 1st April 1938 reduced rates of postage will become applicable for all postal articles from India to Burma as indicated below:—

Rates of postage now in force. (1)	Rs. A. P.	Class of article. (2)	Rates of postage applicable from 1st April 1938. (3)	Rs. A. P.
Single	0 2 0	Postcard.	Single	0 1 0
Reply	0 4 0		Reply	0 2 0
Not exceeding 1 oz.	0 2 6	Letters.	Not exceeding 1 tola.	0 1 6

Rates of postage now in force. (1)	Rs. A. P.	Class of article. (2)	Rates of postage applicable from 1st April 1938. (3)	Rs. A. P.
Each additional 1 oz.	0 2 0	Letters	Each additional 1 tola or part thereof.	0 1 0
For every 2 oz. or part thereof.	0 0 9	Printed papers.		
Not exceeding 10 oz.	0 3 6	Business papers.	For the first 5 tolas or part thereof.	0 0 9
Each additional 2 oz. or part thereof.	0 0 9			
For every 2 oz. or part thereof, with a minimum charge of 0-1-6 whatever the weight.	0 0 9	Samples	For every additional 5 tolas or part thereof.	0 0 6
For every 2 oz. or part thereof.	0 0 9	Registered News-papers.	For each copy for the first 10 tolas or part thereof.	0 0 6
			For every additional 10 tolas.	0 0 6
Not over 3 lbs.	1 4 0	Parcels	Not over 1 lb.	0 12 0
Over 3 lbs. but not over 7 lbs.	2 8 0		Over 1 lb. but not over 2 lbs.	1 0 0
Over 7 lbs. but not over 11 lbs	3 12 0		Over 2 lbs. but not over 3 lbs.	1 4 0
Over 11 lbs. but not over 20 lbs.	6 0 0		Over 3 lbs. but not over 7 lbs.	2 8 0
			Over 7 lbs. but not over 11 lbs.	3 12 0
			Over 11 lbs. but not over 20 lbs.	6 0 0
AIR MAIL SURCHARGE 0-0-9 each.		Postcards.	0-0-6 each.	
0-2-0 per ½ oz.		Letters.	0-1-6 per tola.	
0-2-0 per ½ oz.		Packets.	0-1-6 per tola.	

It is understood that the Government of Burma have notified similar rates of postage and air fee for articles from Burma to India.

RAIL-BORNE TRADE OF MADRAS PROVINCE

(IN TONS)

CEMENT.

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
January ...	3793·7	3100.5	5207.0	823.8	1976.2	1790.9
February ...	3934.6	3101.5	3552.7	760.8	1544.4	1300.9
March ...	3558.3	3687.9	5935.0	659.5	1636.9	1065.9
April ...	3018.4	3981.0	4577.6	820.2	1422.9	947.6
May ...	4134.6	5573.5	4629.3	710.9	823·9	809.7
June ...	3560.6	4280.0	4484.1	364.9	419.3	1825.5
July ...	3422.9	3232.9	3314.9	936.4	170.6	1855.8
August ...	3194.4	3429.7	3525.1	1272.2	1658.9	1836.4
September ...	3082.3	3791.6	3054.8	1175.9	1433.7	1938.0
October ...	2799.7	3703.7	...	1279.7	1388.2	...
November ...	2232.0	1932.5	...	1454.9	1511.3	...
December ...	3141.1	3950.6	...	1179.2	1646.6	...

COFFEE.

	1935	1936	1937	1935	1936	1937
January ...	27.7	26.9	79.6	46.6	52.1	65.8
February ...	19.4	51.8	113.0	37.4	49.8	70.2
March ...	16.2	41.5	138.8	50.5	47.9	24.8
April ...	15.5	119.7	160.2	28.6	40.5	157.4
May ...	11.8	53.5	74.5	23.8	55.7	34.6
June ...	17.7	66.2	101.6	23.5	46.3	33.4
July ...	8.8	76.9	82.1	37.9	41.6	30.6
August ...	23.8	36.3	72.2	30.3	55.5	25.9
September ...	23.6	34.3	88.7	24.4	47.3	33.4
October ...	33.8	47.0	...	39.1	39.1	...
November ...	44.0	35.6	...	28.4	36.1	...
December ...	31.2	60.1	...	38.0	59.5	...

RAW COTTON.

	1935	1936	1937	1935	1936	1937
January ...	449.4	571.4	468.9	267.2	902.3	988.6
February ...	398.7	416.7	742.9	520.9	875.9	759.7
March ...	365.3	461.7	1326.9	1076.8	1457.2	1360.3
April ...	661.4	946.9	...	1989.6	1907.9	...
May ...	764.3	1931.1	...	2760.8	2164.1	...
June ...	231.5	2262.6	...	1520.1	1800.5	...
July ...	184.3	2233.1	...	2240.3	1287.2	...
August ...	229.2	601.1	...	1107.1	567.0	...
September ...	114.5	291.5	...	543.3	432.1	...
October ...	226.5	240.5	...	517.9	464.9	...
November ...	193.3	209.4	...	862.5	428.6	...
December ...	373.6	361.4	...	1042.9	499.7	...

COTTON YARN.

	1935	1936	1937	1935	1936	1937
January ...	1034.4	896.6	657.4	619.1	900.6	943.2
February ...	714.3	878.6	659.0	379.4	487.7	922.1
March ...	664.9	861.6	625.2	494.1	1004.3	1023.8
April ...	1106.5	846.1	742.2	534.3	680.3	755.5
May ...	1134.4	824.5	659.4	554.6	659.9	653.7
June ...	999.8	934.2	583.8	434.9	803.7	850.2
July ...	1241.4	967.5	603.9	621.9	1004.2	1269.0
August ...	1109.2	795.1	851.4	592.6	860.8	1248.3
September ...	990.4	777.2	828.7	491.9	955.1	1293.5
October ...	1135.7	821.4	...	741.9	776.3	...
November ...	776.7	646.4	...	583.5	784.5	...
December ...	879.8	783.6	...	904.1	1331.4	...

COTTON PIECE-GOODS. (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
January ...	935.6	1118.9	1481.5	617.7	614.5	634.5
February ...	804.7	889.1	1371.8	659.8	566.6	576.8
March ...	792.2	700.1	1239.8	607.8	613.2	922.9
April ...	1058.3	984.9	1418.4	603.5	606.6	670.2
May ...	1200.2	1045.7	1495.6	635.7	558.4	648.8
June ...	1011.2	1127.9	1498.7	473.0	507.6	581.2
July ...	1185.8	1045 5	1577.5	469.2	531.1	535.4
August ...	1067.2	1060.4	1536.6	520.0	471.8	605.8
September ...	1240.1	1121.7	1794.2	557.2	517.1	651.5
October ...	1006.9	1282.2	...	658.3	637.8	...
November ...	1394.3	1497.2	...	689.7	707.3	...
December ...	1771.5	2025.4	...	591.2	615.8	...

PADDY.

	1935	1936	1937	1935	1936	1937
January ...	572.9	3910.0	1931.2	228.8	226.6	280.0
February ...	4502.9	3536.1	5730.7	555.0	176.7	97.9
March ...	4089.6	4912.5	6154 3	221.7	124.8	97.2
April ...	2281.7	5578.1	4911.5	154.6	151.7	119.5
May ...	4155.7	4142.4	4924.7	107.1	255.1	127.8
June ...	3511.2	2915.5	2988.1	96.1	149.9	70.5
July ...	3501.8	1866.2	1742.1	109.4	121.2	68.1
August ...	3302.9	1353.7	2910.3	485.6	81.1	43.1
September ...	4134.3	1306.4	3297.4	114.6	116.0	42.9
October ...	6672.3	2334.7	...	84.8	76.3	...
November ..	7239.8	2053.9	...	157.4	129.7	...
December ...	2380.1	706.5	...	175.9	244.0	...

RICE.

	1935	1936	1937	1935	1936	1937
January ...	4762.9	4001.3	5267.2	14990.4	13699 3	13881 2
February ...	3561.5	5250.6	6412.0	14504.9	12417.0	13311.3
March ...	3766.7	4602.7	5852.2	8770.3	13238.8	14186.2
April ...	5731.4	4150.9	6820.8	13570.4	10947.9	11567.6
May ...	3586.1	3525.1	3545.3	11031.3	11011.7	7248.1
June ...	3178.1	3380.5	4366.0	9783.9	10933.5	10091.7
July ...	8506.4	3157.2	5688.0	12077.3	11200.2	9160.5
August ...	3241.2	2985.6	5797.4	9273.9	10999.1	9043.4
September ...	4704.7	3177.3	7243.9	10030.6	9334.4	11927.7
October ...	6672.1	4838.9	...	9880.6	6911.6	...
November ...	4586.3	7335.5	...	8637.8	9836.5	...
December ...	3389.1	5111 1	...	10811.4	3427.7	...

RAW HIDES

	1935	1936	1937	1935	1936	1937
January ...	729.9	1150.6	1810.8	67.8	117.9	106.5
February ...	1048.9	930.1	1675.6	57.2	93.7	60.8
March ...	988.3	1179.5	1843.9	110.5	128.6	63.6
April ...	720.3	1140.9	1012.3	73.1	80.5	95.6
May ...	413.0	751.8	2823.2	64.6	91.6	56.6
June ...	364.9	1180.5	779.2	90.7	135.9	52.4
July ...	380.5	1391.2	1502.4	89.0	105.8	56.7
August ...	445.2	1540.6	1516.8	108.8	112.2	76.8
September ...	571.9	1419.7	1050.3	115.1	77.8	90.9
October ...	714.5	1503.7	...	155.6	69.4	...
November ...	515.7	1455.8	...	81.6	81.4	...
December ...	712.8	2627.7	...	78.5	112.4	...

RAW SKINS.

	1935	1936	1937	1935	1936	1937
January ...	725.8	789.7	893.6	64.9	86.8	66.9
February ...	707.2	754.6	731.1	51.0	72.8	57.9
March ...	444.3	1020.8	931.5	51.6	94.9	88.2
April ...	814.7	899.3	939.9	67.9	60.1	82.3
May ...	683.5	901.5	834.7	337.4	36.9	65.6
June ...	683.1	964.1	826.1	44.1	46.8	45.4

RAW SKINS—(*Contd.*) (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
July ...	805.8	904.3	1024.2	115.5	82.3	58.8
August ...	871.2	810.3	980.1	326.5	61.4	43.6
September ...	693.8	786.5	918.8	92.5	49.0	35.4
October ...	746.6	918 6	...	79.7	48.7	...
November ...	855.5	926 2	...	78.9	57.6	...
December ...	648.6	712.1	...	78.4	84.9	...

LEATHER.

	1935	1936	1937	1935	1936	1937
January ...	333.5	246.9	256.2	106.4	41.9	79.8
February ...	209.5	176.7	199.4	94.3	36.4	58.7
March ...	315.3	215.3	236.0	122.4	40.5	62.6
April ...	346.1	197.3	243.3	89.1	18.1	45.5
May ...	351.0	203.9	262.6	83.2	57.1	58.3
June ...	307.4	191.6	196.4	43.5	50.3	60.3
July ...	318.3	196.9	312.8	9.24	54.2	68.0
August ...	324.7	172.6	214.9	35.3	60.0	90.3
September ...	403.1	207.8	199.7	25 1	57.6	80.9
October ...	422.2	182.0	...	27.7	95.8	...
November ...	477.4	207.9	...	19.8	82.9	...
December ...	345.5	235.0	...	44.1	65.3	...

IRON AND STEEL GOODS.

	1935	1936	1937	1935	1936	1937
January ...	7103.4	6883.8	7101.2	2456.0	2416.7	2497.6
February ...	6064.8	6713.4	6720.7	1897.3	1806.9	3992.7
March ...	5306.7	9061.1	8839.8	1840.1	2255 5	2380.2
April ...	4762.7	6372.9	7795.2	1665.6	2180.6	2386.0
May ...	5615.1	8191.3	6640.9	1727.9	1792.7	2329.6
June ...	5595.1	7385.5	7594.8	1642.8	1674.2	1712.0
July ...	6427.1	7331.7	8138.7	1970.7	2534.5	2348.9
August ...	8357.3	8537.5	4983.2	1400.9	1820.9	1807.9
September ...	8115.7	6914.4	5065.9	1548.3	1443.9	1752.0
October ...	8613.5	6856.3	...	2261.9	1769.4	...
November ...	8107.5	6703.9	...	1535.3	1622.0	...
December ...	8724.5	7536.4	...	1258.7	1673.6	...

OIL CAKES.

	1935	1936	1937	1935	1936	1937
January ...	1914.9	2457.8	2069.4	319.9	133.1	231.0
February ...	952.1	1485.1	2402.6	178.8	184.2	118.0
March ...	155.9	3493.9	1242.8	136.6	166.9	95.0
April ...	2170.5	1861.5	1963.8	114.2	179.4	93.2
May ...	2510.1	1929.4	1970.9	273.9	182.1	123.3
June ...	2037.8	2520.4	1530.7	122.9	143.1	61.5
July ...	1893.7	1632.0	2226.1	153.4	130.4	193.6
August ...	2083.6	1641.3	2427.8	150.2	88.6	58.9
September ...	2505.5	2015.6	1459.0	100.3	108.3	37.7
October ...	2690.1	1878.9	...	86.3	68.4	...
November ...	1032.9	1769.4	...	98.5	79.9	...
December ...	2416.6	2614.8	...	263.0	128.1	...

VEGETABLE OILS.

	1935	1936	1937	1935	1936	1937
January ...	543.2	1012.4	851.6	2137.8	807.9	1117.8
February ...	695.6	798.9	846.3	987.7	913.6	1405.4
March ...	576.5	823.2	791.6	72.1	980.1	873.3
April ...	650.5	726.3	1010.3	551.3	763.9	1674.8
May ...	752.3	586.9	685.3	870.5	1142.4	1518.2
June ...	625.2	554.9	635.3	725.4	899.9	1311.4
July ...	934.4	631.3	378.3	688.1	796.9	1285.4
August ...	1003.6	681.4	411.8	724.3	726.4	1318.4
September ...	952.1	517.2	408.5	401.8	743.9	1127.2
October ...	1155.3	528.9	...	465.3	815.6	...
November ...	909.2	807.1	...	678.1	753.0	...
December ...	775.1	928.8	...	816.1	1017.7	...

CASTOR SEED. (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
January ...	1729.7	570.7	1958.5	81.2	4.4	45.6
February ...	2439.7	1204.7	2465.3	52.9	57.8	85.2
March ...	1604.9	1621 2	5023.3	29.9	29.3	154.1
April ...	2714.4	3015.5	4054.6	366.8	9.3	100.1
May ...	2093.5	1277.0	2142·9	225.3	.3	39.4
June ...	1738.0	1384.2	741.9	18.4	22.8	16.1
July ...	1226.0	2189.4	1099.3	18.3	21.7	...
August ...	3683.9	1970.2	771.2	33.3	18.5	...
September ...	733.9	462.6	2141.7	3.9	35.5	153.9
October ...	2612.3	406.4	...	22.9	52.8	...
November ...	1094.0	1572.3	...	1.7	35.8	...
December ...	493.1	1392.8	...	3.5	28.2	...

COTTON SEED.

	1935	1936	1937	1935	1936	1937
January ...	907.7	1029.7	1304.3	42.9	61.9	36.8
February ...	920.1	920.8	744.5	14.7	21.6	24.2
March ...	2925.5	1621.1	1498.8	8.5	42.3	4.2
April ...	2229 3	2237.4	2711.4	62.9	6.9	12 0
May ...	1050.6	1567.2	2586.4	22.5	3.3	6.6
June ...	1335.8	1568.8	1807.4	17.9	3.1	3.3
July ...	1278.9	1726.4	1878.8	31.4	2.5	5.5
August ...	1529.4	1377.8	2158.0	50.1	45.0	6.1
September ...	1345.3	1290.5	1495.6	4.6	5.5	1.4
October ...	723.1	1343.6	...	11.8	6.2	...
November ...	720.8	807.5	...	74.5	2.6	...
December ...	970.4	1288.3	...	48.1	14.6	...

GROUNDNUT.

	1935	1936	1937	1935	1936	1937
January ...	1341.4	2052.4	11012.9	5585.5	4370.9	15062.8
February ...	1190.9	637.6	1406.3	2225.1	2552.8	3514.8
March ...	398.1	520.7	1231.0	1841.7	1368.4	2009.7
April ...	695.1	1293.2	806.2	1154.4	1983 0	1609.2
May ...	773.9	666.9	181.9	3076.5	959.6	507.7
June ...	652.2	808.8	355.0	2767.5	1728.8	726.1
July ...	247.4	721.4	39.5	1133.1	3383.7	1878.8
August ...	365.6	535.1	578.7	2121.9	3515.6	1242.3
Sepetmber ...	756.5	140.7	52.2	1622.4	895.4	874.3
October ...	838.9	2701.7	...	1640.8	1997.0	...
November ...	3460.2	9462.1	...	1964.7	3230.9	...
December ...	3298.6	2407.0	...	3066.5	7699.8	...

RAPE AND MUSTARD.

	1935	1936	1937	1935	1936	1937
January ...	77.6	170.0	398.4	19.8	3.4	6.6
February ...	132.0	510.8	497.4	80.3	88.5	10.6
March ...	249.9	300.1	279.1	50.1	271.3	142·7
April ..	478.9	467.9	158.9	23.5	8.7	196.4
May ...	111.7	218.3	232.9	199.4	.3	203.5
June ...	89.5	41.8	40.2	161.9	40.9	240.3
July ...	51.9	131.9	8.6	164.9	45.7	178.1
August ...	12.6	59.9	68.5	29.7	4.8	75.8
September ...	38.1	64.8	58.5	19.2	8.5	51.9
October ...	74.6	168.2	...	60.3	13.3	...
November ...	134.0	47.5	...	7.6	5.5	...
December ...	77.9	94.6	...	22.8	10.7	...

GINGELLY SEED.

	1935	1936	1937	1935	1936	1937
January ...	1298.1	3662.2	2618.5	8.0	4.2	3.7
February ...	658.1	2956.2	3686.5	8.3	1.8	8.9
March ...	912.1	1181.7	946.5	11.9	2.1	38.8
April ...	841.0	296.1	377.1	11.6	4.9	35.8
May ...	565.3	484.5	961.2	9.7	16.9	72.6
June ...	958.3	552.8	369.6	13.1	1.0	6.4

GINGELLY SEED—(*Contd.*) (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
July ...	1378.7	250.1	225.3	11.8	3.9	14.5
August ...	935.5	718.7	741.8	7.1	.8	2.2
September ...	2154.8	1426.4	2040.6	1.1	14.9	22.8
October ...	2948.5	7396.1	...	6.7	19.4	...
November ...	2973.4	1331.2	...	3.6	2.4	...
December ...	2942.3	2839.8	...	28.9	1.2	...

SALT.

	1935	1936	1937	1935	1936	1937
January ...	1735.9	1383.1	1325.0	9968.8	4749.8	5376 8
February ...	1581.6	646.5	1179.9	4274.1	3989 0	4641.1
March ...	1555.8	2883.1	2029.2	3711.9	5308.3	3270.0
April ...	2230.6	3304.2	3658.9	4518.3	8820.3	5137.8
May ...	4351.9	3846.9	3567.3	7473.6	5880.8	4967.4
June ...	532.6	88.8	316.1	5399.4	4644.0	4477.4
July ...	29.4	118.4	7.5	3713.4	3964.5	2843.6
August ...	58.8	15.0	.7	3160.9	3380.0	2416.5
September ...	59.0	29.6	1.4	3319.5	4942.1	2653.9
October ...	239.7	194.5	...	4987.4	5013.3	...
November ...	311.5	410.1	...	5855.5	5440.4	...
December ...	810.8	881.9	...	4415.4	6058.2	...

SUGAR—REFINED.

	1935	1936	1937	1935	1936	1937
January ...	2549.6	3420.8	11465·2	770·8	392.3	599.3
February ...	2068.7	3621.8	10814.7	838.9	702.4	250.0
March ...	2564.5	4629.3	7798.2	595.3	869 9	546.9
April ...	2751.7	2789.6	7011.3	770.3	797.7	749 7
May ...	1772.8	2526 5	6349·9	452.5	821.5	722.6
June ...	2512.5	1709.8	3379.2	524.1	466.8	787.4
July ...	1174 1	1996.2	3965.6	707.4	762.4	795.8
August ...	1097.6	2340.8	4356.3	709.5	702.4	651.8
September ...	979.9	2813.1	4984.4	785 3	472.4	479.9
October ...	769.9	3442.8	...	423.5	936.5	...
November ...	585.9	4721.9	...	503.5	905.9	...
December ...	2209.8	5931.5	...	497.9	724.2	...

JAGGERY AND MOLASSES.

	1935	1936	1937	1935	1936	1937
January ...	230.1	378.1	378.9	1822.3	509.2	1104.7
February ...	464.3	849.2	700·8	3612.6	1149.7	2571.9
March ...	539.9	1036.5	847 9	3418.3	3562.9	3223.6
April ...	269.4	1281.5	1014.3	2359.6	3575.3	2226.6
May ...	291.8	1132.0	1097.3	1351.8	1563.9	1956.4
June ...	264.0	1012.2	367.8	724.1	1067.3	1056.6
July ...	164.5	936.8	469.7	1272.9	1300·0	1357.2
August ...	177.0	457.3	256.7	1160.5	723.6	987.5
September ...	174.4	363.0	391.2	1045.4	850.3	1042.1
October ...	147.7	298.6	...	938.9	796.6	...
November ...	263.7	228.9	...	922.3	749.5	...
December ...	218.5	416.9	...	622.7	694.3	...

TEA.

	1935	1936	1937	1935	1936	1937
January ...	77.4	41.0	55·9	156.9	143.2	303.9
February ...	57.8	52.6	64·7	123.8	170.4	263.4
March ...	48.9	41.4	60.9	159.9	179.9	311.7
April ...	93.2	68.2	93.6	147.7	193.2	317.6
May ...	75.4	57.1	89.9	132.8	226.7	330.9
June ...	53.3	59.3	63.7	146.2	232.4	333.6
July ...	48.5	66.4	50.3	161.2	263.3	340.3
August ...	51.7	59.6	71.9	167.6	245.0	639.3
September ...	60.7	59.8	88.1	121.9	221.2	347.1
October ...	55.4	92.5	...	144.1	305.2	...
November ...	62.2	32.1	...	164.6	304.6	...
December ...	33.6	90.7	...	147.3	344.5	...

RAW TOBACCO (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
January ...	97.2	183.1	104.1	912.2	665.3	1018.4
February ...	274.8	431.0	287.3	871.3	1196.6	1014.4
March ...	436.9	290.2	425.8	1885.7	1358.3	1413.1
April ...	473.4	300.2	396.4	1833.6	1673.2	1175.5
May ...	251.4	178.0	419.9	1505.9	1705.6	1579.1
June ...	241.4	208.6	170.8	1231.0	1160.5	1143.4
July ...	187.2	184.6	151.5	1288.1	903.7	1093.6
August ...	145.5	172.5	139.8	1036.1	1194.9	886.7
September ...	151.1	156.5	143.6	807.3	685.0	774.1
October ...	144.1	192.0	...	830.6	879.2	...
November ...	173.9	179.7	...	1207.5	1904.8	...
December ...	124.3	55.7	...	1379.7	1225.7	...

WOOD AND TIMBER.

	1935	1936	1937	1935	1936	1937
January ...	5013.4	4175.9	5747.8	478.9	430.6	1075.8
February ...	5917.2	3756.8	9462.4	484.8	845.7	777.1
March ...	7314.2	4837.4	7738.4	552.4	470.8	1489.1
April ...	4893.3	6207.6	5717.4	697.1	917.3	916.1
May ...	8398.1	7401.8	7343.5	1007.7	742.8	1157.7
June ...	5821.4	4370.9	7882.0	573.2	688.4	1164.4
July ...	4069.9	2816.4	5363.3	766.1	572.5	1354.5
August ...	2406.1	6460.8	2870.5	950.6	1186.0	1327.7
September ...	1805.2	1945.8	1958.5	649.2	904.2	1190.7
October ...	2587.1	1197.9	...	548.5	984.6	...
November ...	3286.3	2245.2	...	379.2	743.2	...
December ...	5679.9	3571.0	...	471.6	941.9	...

RAW WOOL.

	1935	1936	1937	1935	1936	1937
January ...	29.5	51.4	93.1	117.9	117.2	145.0
February ...	30.1	41.0	117.4	123.5	163.2	132.8
March ...	18.5	83.8	69.4	144.9	162.5	168.7
April ...	9.8	55.8	80.8	71.0	142.1	59.0
May ...	40.4	26.3	56.8	105.1	42.1	69.1
June ...	15.6	36.9	45.9	87.4	63.5	18.6
July ...	41.8	16.1	16.3	152.6	38.1	64.4
August ...	56.6	23.8	55.1	104.9	36.6	48.5
September ...	65.5	14.0	38.9	192.5	70.9	126.3
October ...	55.9	41.8	...	147.9	50.2	...
November ...	65.7	40.7	...	145.8	96.6	...
December ...	47.6	63.2	...	168.3	98.6	...

The following are the approximate rates of Shipping Freight from Madras to Continental ports.

ARTICLES	Rate s.	Rate d.	Per Ton Cwts.	Per Ton Cft.
Asbestos in bags ...	60	0	20	...
Barytes crushed in bags ...	32	6	20	...
Blood Meal in bags ...	35	0	20	...
Bones handbroken ...	55	0	20	...
Bonemeal and Crushed bones ...	40	0	20	...
Bonesinews in pressed bales ...	55	0	...	50
Bonesinews in bags ...	55	0	8	...
Cardamoms in cases ...	77	6	...	50
Carpets ...	†77	6	...	50
Cashewnuts in cases ...	67	6	...	50
Castor Oil in cases	67	6	20	50×
Castor Oil in casks ...	80	0	20	...
Chrome Shavings in bales ...	40	0	...	50
Chrome in bags ...	30	0	20	...
Cigars ...	†77	6	...	50
Cocoanut Cakes in bags ...	35	0	20	...
Coffee ...	†60	0	18	...
Coir Yarn ...	60	0	...	50
Condiments ...	†77	6	...	50
Copra in bags ...	57	6	12	...
Corundum ...	32	6	20	...
Cotton ...	43	0	...	50
Cotton Lint in pressed bales ...	30	0	...	50
Cotton Seed ...	55	0	20	...
Cotton Waste Non-oily in pressed bales ...	50	0	...	50
Cotton Yarn ...	52	6	...	50
Cow Tail hair in bales ...	47	6	...	50
Cow guts (dry) in cases and casks ...	50	0	20	50×
Cuddappah Slabs in crates ...	30	0	20	...
Divi Divi in bags ...	50	0	20	...
Divi Divi in packets 20 lbs. net ...	40	0	20	...
Finished Leather ...	†72	6	...	50
Ginger in bags ...	55	0	12	...
Gingelly Seed ...	40	0	20	...
Goat Hair ...	42	6	...	50
Granite Stones (polished) up to 2 cwts. each ...	35	0	20	...
Handkerchiefs (Madras) ...	†77	6	...	50
Hemp ...	42	6	...	50
Hides (tanned, dry, in bales) ...	†72	6	...	50
Hide cuttings in pressed bales ...	40	0	...	50
Hide Fleshings ...	45	0	...	50
Horns, Cow, Buff, Deer and Elk bags ...	65	0	20	...
Horns, loose ...	*35	0	20	...
Horns (Buff and Cow) in packets of 40 lbs. net ...	*35	0	20	...
Horn Tips in bags ...	67	6	20	...
Horn Tips in packets of 40 lbs. net ...	*55	0	20	...
Horn Meal ...	42	6	20	...
Illmenite Sand in bags ...	35	0	20	...
Indigo in cases ...	†77	6	...	50
Kapok in pressed bales ...	55	0	...	50
Magnesite in drums ...	40	0	20	...
Metal Scrap in bags (other than Aluminium) ...	35	0	20	50×
Mica in cases valued at £ 200 and under per ton ...	†77	6	20	50×
Mica in cases valued at over £ 200 per ton ...	3%		*ad*	*val*
Mica Splittings ...	†67	6	20	50×
Mica Waste in bags or cases ...	†40	0	20	50×
Molasses liquid in steel drums ...	40	0	20	...
Myrabolams in bags ...	40	0	20	...
Myrabolams in pockets of 56 lbs. net.	*35	0	20	...
Nux Vomico in bags ...	50	0	20	...
Nux Vomico in pockets 40 lbs. net ...	*40	0	20	...
Oils (Vegetable) in cases ...	67	6	20	50×
Oils (Vegetable) in casks ...	80	0	20	...
Oils (Fish) in drums and casks ...	85	0	20	...
Oils (essential) ...	1%		*ad*	*val*
Oil (Groundnut) in Iron or Steel Drums ...	45	0	20	...
Palmyra Fibre in pressed bales or ballots ...	60	0	...	50
Palmyra Fibre in handmade ballots or bundles ...	60	0	10	
Pepper in bags ...	67	6	18	...
Personal Effects ...	60	0	20	50×
Redwood (as tonnage) ...	35	0	20	...
Rice ...	57	6	20	...
Rice Bran in bags ...	45	0	20	...
Rubber in case ...	67	6	...	50

ARTICLES	Rate s.	Rate d.	Per Ton Cwts.	Per Ton Cft.
Rubber Scrap in bags ...	60	0	20	...
Sandalwood ...	60	0	11	...
Seekai in bags ...	40	0	20	...
Senna Leaves in bales ...	52	6	...	50
Shooks (Beer) on or under deck at Ship's option ...	50	0	20	...
Silk Waste in bales ...	55	0	...	50
Silver ...	1%		*ad*	*val*
Skins, Tanned or Dry in bales ...	†72	6	...	50
Skins Wet, Salted or pickled in casks.	†82	6	...	50
Steatite in bags ...	35	0	20	...
Tallow in tins ...	67	6	20	...
Tamarind in casks ...	77	6	20	...
Tamarind in bundles ...	82	6	20	...
Tea ...	†62	6	...	50
Teak Planks up to 5' lengths ...	50	0	20	50×
Teak Planks over 5' lengths ...	60	0	20	50×
Teak Logs over 10' lengths ...	77	6	20	50×
Teak Scantlings and Palings up to 10' lengths ...	50	0	20	50×
Teak Scantlings and Palings over 10' lengths ...	60	0	20	50×
Timber in logs ...	77	6	20	50×
Timber in planks, scantlings ...	77	6	20	50×
Tin Clippings in pressed bundles ...	45	0	20	50
Tobacco in Casks ...	†50	0	...	50
Tobacco in bales ...	†55	0	...	50
Turmeric ...	55	0	16	...
Valuable Cargo ...	3%		*ad*	*val*
Wax (Bees or otherwise) ...	55	0	20	...
Wool ...	47	6	...	50
Woolen and Cotton Cuttings ...	55	0	...	50

† Subject to 10% Rabate to signatories to the M. H. F. C. Agreement.

× At Ship's Option. * As broken stowage.

State Owned Rys.

(In Lakhs of Rupees)

	Gross Earnings of all State-owned Rys. of Class I.			Total Wagons loaded (Class I Rys.)			(Miscellaneous smalls Wagons loaded on Class I Rys.)		
	1935	1936	1937	1935	1936	1937	1935	1936	1937
Jan. ...	844	846	937	680	693	750	146	148	164
Feb. ...	790	827	841	634	666	668	131	147	145
March.	815	874	968	629	690	726	138	150	160
April ...	780	810	836	595	607	671	139	139	150
May ...	813	783	839	599	572	630	146	139	148
June ...	719	692	775	532	526	555	133	134	142
July ...	659	637	707	482	475	515	133	129	138
August.	616	621	660	454	462	486	126	128	133
Sept. ...	639	637	713	487	482	525	136	130	136
October.	746	763	...	550	577	...	147	160	...
Nov. ...	738	772	...	566	575	...	145	152	...
Dec. ...	800	904	...	553	694	...	148	162	...

Hon'ble Sir Rahimtoola M. Chinoy

AT THE ELEVENTH ANNUAL MEETING OF THE FEDERATION OF INDIAN CHAMBERS OF COMMERCE AND INDUSTRY.

Reviewing the very important economic and political changes that have taken place in India as well as abroad during his tenure of office the Hon'ble Sir Rahimtoola M. Chinoy President of the Federation of Indian Chambers of Commerce and Industry said: "The Sino-Japanese conflict in the East, the prolonged struggle in Spain and the recent events on the Continent of Europe, in the wake of the annexation of Abyssinia by Italy during last year, are sufficiently alarming to lead other nations to prepare themselves for any eventuality of spending colossal sums on armaments out of all proportion to their ability to sustain such heavy liabilities arising out of such expenditure". The artificial improvement in the industrial activities of the several nations with reflected betterment in countries producing raw materials could only be transitory as those countries which have spent all their available resources on rearmament would not be able to contribute their quota towards the maintenance of better economic conditions in years to come.

With regard to the attitude of the Government of India during the deliberations at the International Sugar Conference Sir. Chinoy observed that the Government of India refused to consult the industrial interests primarily concerned with those deliberations and committed this country for a period of five years to an irrevocable agreement to the detriment of the Indian Sugar Industry and the agreement was ratified by the Government of India in spite of the definite verdict of the Legislative Assembly against such a step. The attitude of the Government of India in not taking into confidence the interests concerned in concluding trade agreements with other countries is very disappointing. Sir. Chinoy said: "During these nogotiations with the Government of Japan it was expected that the Government of India would give their serious consideration to the position of indigenous minor industries which had developed in recent years behind the Customs tariff and which were meeting severe competition at the hands of Japanese imports. Their usual *laissez faire* attitude came in the way of taking any initiative in negotiating this agreement. They instituted a departmental enquiry to examine the claims of these minor industries and even though investigations reached a mature stage the enquiry was suspended on the plea that in view of the Sino-Japanese conflict imports from Japan were not in a position to offer competition to indigenous products. It is really a matter of regret that such a shortsighted policy should be followed by Government on a question vital to the development of small industries in India. There is insistent demand by the commercial interests asking Government to resume the enquiry and I trust that Government will be well advised to resume it at an early date". He added: ' India's cause is likely to suffer in all such negotiations if the traditionally dogmatic attitude of the Government of India continues to create an atmosphere of secrecy and aloofness from the interest primarily to be affected by those negotiations. In the United Kingdom before concluding any trade agreement with an Empire or foreign country all the trade and industrial interests are consulted at every stage regarding the proposals under negotiation, while in India she is always presented with a *fait accompli* in such matters". Referring to the unreasonably long delay in arriving at a final settlement with regard to the Indo-British Trade negotiations he observed that the one distressing feature of these negotiations is the policy of Government in keeping the general public and the industrial commercial interest entirely in the dark as regards the course of these negotiations. He would urge that all such agreements should be submitted to the Central Legislature for ratification and such a course would give necessary scope to discuss the pros and cons of such agreements.

The Government of India's attitude on the question of Indo-Burma Financial Settlement estimating the debt of Burma to India at about Rs. 51 crores and fixing the annuity at Rs. 2. 21 crores for 45 years he said, was, deplorable but has caused no surprise in view of the fact that no non-officials either country had anyhand in it.

The position of Indians abroad and particularly in colonies of the British Empire received a setback owing to what seems to be a concerted policy of Colonial Office in either driving out the Indians and Indian traders or making it impossible for them to continue to live a peaceful life as British subjects. No less an authority than Sir Raza Ali, the Government of India's own accredited representative who just retired from the post of Agent-General stated that he had nothing to say favourably about the positions of Indians in South Africa.

The two important agreements arrived at between His Majesty's Government and the Government of India on the question of mechanisation of British units and the maintenance of six escort ships for the naval defence of Indian ports did not lend support to the expectation that with the introduction of the Government of India Act the relations with His Majesty's Government would continue to progress towards realisation of that partnership which exists between His Majesty's Government and the Government of the self-governing units of the Empire. The Government have not given any reason for the termination of a longstanding arrangement under which with a payment of £100,000 to His Majesty's Government the latter were responsible for the naval defence of India. The Government of India have made costly commitments without securing for the Indian Legislature the right to control and to Indianise the Indian navy. Sir. Chinoy observed: "It must be remembered that in any scheme of naval defence of a country its mercantile marine plays an important part. It is unfortunate therefore that Indian shipping interests should be denied representation on the Imperial Shipping Committee which formulates a common Empire Maritime policy. India does not possess the power, which the Dominions possess at present, to enact legislation to develop her mercantile marine. A strong and efficient Indian mercantile marine is not only essential for the defence of India but could be an invaluable instrument of Imperial Defence."

Reviewing the various measures that the Provincial Governments working under the new constitution are taking for ameliorating the conditions of the agriculturists he observed that mere passing of acts and giving temporary relief to the agriculturist's was no good so long as India's agriculturist's produce has not secured any place of vantage in the world markets. The Provincial Governments should aim at increasing the purchasing power of the masses. Any artificial adjustment by law is abnormal and may defeat the very object in the long run. "The question of rural finance requires a well thought out planning and I think we can with effect bring into operation the machinery of Co-operative Societies for the financing of certain operations of the agriculturists."

Speaking about the attitude of the commercial community on the question of Incometax Sir. Chinoy observed that they should see that such measures of raising finances through incometax do not react on and cripple the progress of industrialisation of the country which was made in spite of the halting policy of discriminating protection and which is a source of employment to millions of people all over India. He was sure that if the Government were to be allowed a free hand in revising the Income Tax law it would result in giving a permanent setback to the development of indigenous industries. The powers granted to the Governor-General under Section 60 (i) of the Incometax Act whereby certain exemptions are allowed should not be vested in the Governor-General as this power has been used in a discriminating manner for the advantage of a certain section and to the disadvantage of the Indian treasury. Section 272 of the Government of India Act ought to be amended to allow pensions, leave allowances and salaries of Government officers residing outside India and receiving them in the United Kingdom to be taxed under the Indian Income Tax Law. The country also pays more than a crore and a half under double Incometax relief, 99 per cent. of which goes to non Indian companies registered outside India but earning their profits out of their operations in India. If these sources are tapped it may bring in to the Indian Treasury more than three crores of rupees per annum. In conclusion he would finally appeal to the elected members of the Central Legislature to examine the proposals of the Incometax Bill to be introduced in the Legislature before committing themselves to accord their support to increased taxation of the trade and industry of the country.

Finance

Indian Customs Revenue—

(In Lakhs of Rupees)

March 1937	February 1938	March 1938	12 Months ending Mar. 1937	12 Months ending Mar. 1938
5,16	3,80	4,80	50,88	55,42

Treasury Bills Position

(In Thousands of Rupees)

Week-ending			Treasury Bills Sales	Average Discount on accepted tenders per annum.			Total outstandings. Opening balance on 2nd April 1937 Rs. 15,00,00
	1937		RS.	RS.	A.	P.	RS.
June	4	...	1,00,00	0	15	6	14,00,00
,,	11	...	1,00,00	0	15	8	14,00,00
,,	18	...	1,00,00	0	15	11	14,00,00
,,	25	...	1,00,00	0	15	11	14,00,00
July	2	...	1,00,00	0	15	8	13,00,00
,,	9	...	1,00,00	0	15	10	13,00,00
,,	16	...	1,00,00	0	15	0	13,00,00
,,	24	...	1,00,00	0	15	0	13,00,00
,,	31	...	1,00,00	0	14	8	13,00,00
August	7	...	1,00,00	0	13	10	13,00,00
,,	14	...	1,00,00	0	12	0	13,00,00
,,	21	...	1,00,00	0	10	0	13,00,00
,,	28	...	2,00,00	0	9	0	14,00,00
Sept.	4	...	2,00,00	0	6	11	15,00 00
,,	11	...	2,00,00	0	7	7	16.00,00
,,	18	...	2,00.00	0	7	11	17,00,00
,,	25	...	2,00,00	0	8	11	18,00.00
Oct.	2	...	2,00,00	0	10	7	19,00,00
,,	9	...	2,00,00	0	10	11	20,00,00
,,	16	...	2,00,00	0	11	0	21,00,00
,,	21	...	1,00,00	0	12	0	22,00,00
,,	28	...	1,00,00	0	13	2	22,00,00
Nov.	4	...	1,00,00	0	14	8	22,00,00
,,	11	...	1 00,00	0	14	7	22,00,00
,,	18	...	1,00,00	0	13	0	22,00,00
,,	25	...	2,00,00	0	12	11	23,00,00
Dec.	2	...	2,00,00	0	12	11	23,00,00
,,	9	...	2,00,00	0	12	11	23,00,00
,,	16	...	2,00,00	1	0	7	23,00,00
,,	23	...	2,00,00	1	1	5	23,00,00
,,	30	...	2,00,00	1	4	0	23,00,00
	1938						
Jan.	6	...	2,00,00	1	3	9	23,00,00
,,	13	...	2,00.00	1	4	7	23,00,00
,,	20	...	2,00,00	1	4	4	23,00,00
,,	27	...	2,00,00	1	4	4	24,00,00
Feb.	3	...	2,00,00	1	5	5	25,00,00
,,	10	...	1,50,00	1	7	1	25,50,00
,,	17	...	1,50 00	1	7	11	26,00,00
,,	24	...	1,00,00	1	6	9	26,00,00
March	3	...	1,00,00	1	7	1	23,00,00
,,	10	...	1,00,00	1	8	3	22,00,00
,,	17	...	1,00,00	1	9	8	21,00,00
,,	24	...	1,00,00	1	9	9	20,00,00

Currency Notes issued in India & Burma

(In Crores of Rupees)

		1935	1936	1937
January	...	184	194	204
February	...	183	194	208
March	...	186	195	208
April	...	186	195	208
May	...	186	196	207
June	...	187	198	208
July	...	190	201	212
August	...	192	202	213
September	...	193	203	213
October	...	194	203	214
November	...	195	202	214
December	...	194	201	214

Gold Exports from India

(In Thousands of Rupees)

		1935	1936	1937
January	...	4,41,60	2,71,71	2,38,62
February	...	4,78,22	2,63,89	1,15,09
March	...	5,15,39	2,08,42	1,19,26
April	...	1,04,28	2,79,88	1,83,27
May	...	1,94,63	3,28,06	1,47,13
June	...	1,01,61	2,79,58	81,52
July	...	6,04,26	4,01,83	2,40,27
August	...	6,76,96	2,25,74	1,44,01
September	...	3,71,91	2,21,31	1,44,81
October	...	5,04,63	2,19,07	1,30,46
November	...	3,96,16	3,58,28	1,17,57
December	...	2,77,62	1,55,71	1,65,73
Total	...	44,22,27	33,15,94	18,27,74

Total Exports of Gold from India

	1931	1932	1933	1934
Rs.	3,748,2,851	75,17,52,232	51,25,48,810	80,50,74,489

CURRENT AND TIME DEPOSITS OF SCHEDULED BANKS

(In Lakhs of Rupees)

Month.		Current Deposits.		Time Deposits.		Total.		Percentage of Cash to liabilities.	
		1936	1937	1936	1937	1936	1937	1936	1937
January	...	122·9	132·8	99·4	102·6	220·9	235.6	18·11	9·81
February	...	120·6	131·3	100·9	103·4	221·3	235·6	18·24	10·93
March	...	120·5	133·2	101·3	104·7	221·9	238·9	18·79	12·02
April	...	120·9	135·54	101·0	105·63	223·5	...	18·80	...
May	...	122·5	134·51	101·7	107·38	222·4	...	13·10	...
June	...	122·9	133·19	100·2	106·05	223·2	...	16·78	...
July	...	126·6	133·64	100·1	108·42	227·9	...	16·63	...
August	...	128·9	134·00	100·8	110·27	229·4	...	17·04	...
September	...	129 0	132·95	101·2	110·18	230·1	...	14·50	...
October	...	131·4	134·28	99·5	109·45	230·8	...	14·03	...
November	...	132·3	135·66	99·9	108·98	232·9	...	13·13	...
December	...	131·6	...	101·3	...	229·6	...	10·34	...

MADRAS CLEARING HOUSE RETURNS

(In Lakhs of Rupees)

Year	Amount	Year	Amount			
1918—19	25,48	1928—29	65,73	April '37	..	12·66
1919—20	33,95	1929—30	82,19	May	...	7·64
1920—21	75,79	1930—31	50,36	June	...	7·28
1921—22	39,54	1931—32	43,97	July	...	10·23
1922—23	45,13	1932—33	48,85	Aug.	...	2·83
1923—24	55,41	1933—34	53,19	Sep.	...	10·27
1924—25	55,96	1934—35	56,22	Oct.	...	9·24
1925—26	56,80	1935—36	69,23	Nov.	...	7·65
1926—27	54,53	1936—37	91,39	Dec.	...	9·25
1927—28	59,79					

Purchase of Sterling by Government or Reserve Bank of India (000's of £)

		1935	136	1937	1938
January	...	7,650	5,300	9,588	3,270
February	...	3,105	2,595	8,130	4,945
March	...	2,775	3,145	4,155	4,327
April	...	388	3,570	5,480	...
May	...	5,340	1,000	95	...
June	...	2,768	2,225	985	...
July	...	1,100	2,555	425	...
August	...	2,645	1,430	753	...
September	...	3,190	3,565	80	...

		1935	1936	1937	1938
October	...	1,700	5,000	3,035	...
November	...	3,130	4,000	650	...
December	...	3,125	8,314	570	...
Total	...	36,916	42,699	33,946	...

Total Purchase of Sterling in 1933 ... 27,900

,, ,, ,, ,, 1934 ... 47,459

Legislature

(IMAS)

The winter session of the Central Legislative Assembly has had a fair share of commercial matters discussed and decided upon. The more outstanding of them were (1) The Indian Tea Control Bill, (2) Certain amendments to the Trade Disputes Act, (3) Stamp Duties Unification Bill, (4) The report of the Select Committee on Indian Coastal Traffic Bill, (5) The Motor Vehicles Bill, (6) The Indian Income-tax Act amending Bill and (7) The resolution on the need for the Government to consult the Legislature in regard to any Trade Agreement between India and any other foreign country and more particularly with the United Kingdom.

The Indian Tea Control Bill :—It was to provide for the control of the export of tea from and for the control of the extension of the cultivation of tea in British India. The discussion on this Bill was largely on the method and strength of representation on the Tea Control Board which is empowered to grant licenses, to fix export quotas to each planter and to license these quotas only. This tea business is largely in the hands of Europeans and to a certain extent in the hands of Assamese, Quite a small portion is in South India. The Control Board which is set up will have a powerful voice in regulating the business to the best interests of the business itself. Small planters have not however been neglected in so far as provision has been specifically made for their representation also on the Control Board.

Certain Amendments to the Trade Disputes Act :—Our readers will remember that during the passing of a recent bill to amend the Trade Disputes Act of 1929 there was considerable discussion regarding section 16 of the Act which relates to general strikes and the definitions of certain strikes as being illegal ones. The conditions laid down for making a strike illegal were that the strike must have no object other than the furtherance of a trade dispute within the trade and industry in which strikers and employers locking out are engaged and is not designed or calculated to inflict severe general and prolonged hardship upon the community and thereby compelling the Government to take or abstain from taking any particular course of action. The Central Government desired by the proposed amendment to give power to the Provincial Governments to declare such strikes or lockouts illegal as would come within the mischief of the provisions stated above. There was a good deal of discussion on this and a few other amendments most of which was in the direction of criticising the employer and favouring the employee. This however brought out the real congress attitude towards employers and employees by the speeches of the representative of Madras Indian Commerce and Mr. Bhulabhai J. Desai, the leader of the Congress Party. The Madras Indian Commerce representative said: " Now, Sir, it is the duty of the Legislature to keep the scales even and to see how far we can improve the condition of labour without affecting the general prosperity and the economic progress of this country. Today it is not only the problems of labour and capital, industry and agriculture that are the pressing problem of this country but the most important preblem of India in which every shade of political opinion ought to be engaged is the economic regeneration of this country and I am sure my friends who spoke before me so vehemently on behalf of labour would be the first to acknowledge that what they really meant by the economic regeneration was the economic prosperity of the masses of this country. Sir, my point is that, if today we want our industries to compete successfully with foreign countries it is desirable that the relationship between industry and labour in this country must be as peaceful as possible so that all may benefit by an arrangement of that sort. My Honourable friend speaks of the industrial labour which after all is not perhaps one tenth of the whole labour population of this country. What about the nearly 85 per cent of persons who are dependent on agriculture or labour dependent upon them? I have not heard any words spoken on their behalf. We speak of industrial labour because it has gained strength by organisation, it has gained momentum by the very fact of collective bargaining with employers, and we would like to keep in the good books more of that section of labour than we attempt to do good in respect of the agricultural labour. The Congress is not so irresponsible, nor is it so short-sighted as to think that we could make use of these labour troubles for furtherance of political ends. I am at one with the labour when they plead for the betterment of their conditions but I shall certainly not advocate a strike which is a dangerous weapon and which should be resorted to only as a last resort." Mr. Bhulabhai J. Desai reinforced the position by his authoritative statement. "I am really concerned with the community as a whole and that is what my Party stands for. We are neither capitalists nor labourers. We are both and it is our intention to reconcile the interests of both in order that the general interest of the community may not suffer in this country."

Stamp Duties Unificatin Bill.—In response to a long and persistent demand from the commercial community to reduce the levy of stamp duties on Inland bills and as a result of the conference of the Finance Ministers of all Provinces, Government introduced a bill namely Stamp Duties Unification Bill. As though no good can be conferred on the public without some countervailing evil the bill sought to reduce the duty on Inland bills up to a certain amount and duration and also provided for increase of stamp duty beyond the standards by nearly 50 per cent and reimposed stamp duty on cheques. Our readers will remember that stamp duty on cheques was abolished as a result of the recommendation of the Banking Enquiry Committee and since then this abolition of stamp duty was largely responsible for the spread of banking habit in the country. It is an error of judgment to think that the stamp duty on cheques would affect only the richer classes and they might well afford to suffer this impost. We know of numerous instances of petty traders and lower middle class people putting their small savings in small banking concerns of their localities and issuing cheques for small amounts. Such a thrifty action would have been killed had the bill been passed by the Assembly, It is perhaps not generally known that the revenue under the stamp duties on Inland bills and bills of Exchange will have to be distributed to the Provinces according to proportions laid down under Sir Otto Niemeyer Award. This fact has misled some Provincial Governments to insist upon their representatives in the Central Assembly, to support the measure. We are however glad that the Congress Party did not succumb to the seductive possiblity of getting one or two lakhs for each of the Congress Provinces and aided by the other parties was firmly against the reimposition of stamp duty on cheques while welcoming the revision of stamp duties in respect of Inland bills and bills of Exchange. The Government seeing no prospect of the bill going through as it was, very wisely refrained from pushing forward this bill.

The report of the Select Committee on the Indian Coastal Traffic Bill :—It was during the last days of the Indian Legislative Assembly *pre* the Government of India Act of 1935 when Mr S.N. Hajee vehemently fought for reservation of coastal traffic for India. It will be remembered that during Sir Joseph Bhore's tenure of office as the Executive Councillor of the Government of India in the Commerce Department a settlement was brought about between the conflicting shipping interests in the Indian coastal lines. Obviously the settlement and arbitration like the one arrived at could only be of a temporary character. Since then there have been several instances of rate cutting competition between the United Kingdom and Indian shipping companies and among Indian Shipping Companies themselves, the Government pleading their inability to enforce any arbitration between the disputing parties. Sir Abdul Hallim Gaznavi intended by means of this bill to vest the Government with power to fix the minimum freight rates and to punish the offenders against the fixed rates with sundry penalties. The Congress Party members of the Select Committee on this bill very soon realised the futility of the measure, the author of which did not appear to have clear ideas of what he really wanted, attempted to reform the bill in order to make the provisions effective and to lay down as a first step of their ideal of inauguration and development of Indian shipping Though the bill as amended by the Select Committee has very little chance of further progress the need for reservation of coastal traffic, and of building of ships are bound to be in the forefront of all commercial and political interests of the country. Every country which is now in the proud possession of a decent navy has had its mercantile marine as a nucleus on which the navy was built and developed. The example of the United Kingdom itself is the most prominent and it therefore ill-becomes her nationals to be lukewarm in the matter of developing a mercantile marine in this country. The recent announcement of the Government that in lieu of £100,000 contributed to the Imperial Exchequer for the service which the British Navy renders to this country there will be formed a small squadron of Indian navy, must give rise to every patriotic Indian a hope that basing at least upon this necessity early attempts will be made to promote a mercantile marine.

Motor Vehicles Bill :—This is a bill of far-reaching importance though it is for all apparent purposes a codification of all acts and rules relating to motor vehicles transport. The interests involved in this measure are Local Bodies, Provincial Governments, Railways transport trade and motor trade and the general public. It is well known that this measure has been taken up in order to restrict the competition of motor vehicles with the railways. In recent years railways have suffered heavy losses on account of the diversion of traffic of both passenger and goods through road transport. The railways are described as a national asset which is really speaking is neither national nor an asset. Several attempts are made by the Central Government with the Provincial Governments to discourage road transport by suggesting heavy license fees and taxation and stricter regulations. Inspite of them road transport is becoming increasingly popular particularly on account of the attitude of imperious and sometimes arrogant disregard for public amenities and conveniences afforded by the railways The third class passenger who according to the latest description of Sir Thomas Stewart is the best customer has all long been worst neglected. The extremely one-sided risk note conditions and the long delays attended by pilferages in the transit of goods not to speak of the antiquated rate system have made railways so unpopular that the passenger and the merchant welcome the road transport with all its defects, as a heaven sent blessing. During certain times and certain routes the competition of the raod transport has been so keen as to practically compel the railways to close their shop. Much perturbation was thereby caused and culminated in inducing the Central Government to shed crocodile tears for the safety of the passengers and proper maintenance of roads.. The proposed law contemplates the concentration of the power to deal with the road transport problems in Provincial and regional authorities on which due representation to railways will be ensured. The Local Bodies will lose much of the revenue derived from this source and in fact it appears to us that Provincial Governments have been practically coerced to agree to the proposed law. But it must be said that in so far as to organise motor transport trade and to make it quite safe for the public the bill is a step in the right direction but the dressing up seems to be at the expense of the real thing. It remains to be seen how the bill will emerge from the Central Legislature as a law, making adjustments amongst the conflicting interests and yet ensuring non-extinction of motor vehicle trnasport.

The Incometax amending bill will be dealt with later on in the next issue of this journal as a separate article.

Trade Negotiations:—

The country was getting impatient at the prolonged incomplete negotiations for a trade treaty between the United Kingdom and India. Though the Government have, unlike before, set up a body of non-official advisers chosen from the commercial community, the suspicion of the public was that the Indian Government might at any time succumb to the dictates of the Whitehall. In fact the inconclusiveness of the conversations was ascribed to the high demands of Lancashire interests. The Assembly therefore desired that it should be consulted before any trade agreement was entered into with any country. Such a resolution would be needless in a country the Government of which is neither subordinate nor subservient to any imperial power, because the Government in a democratic country could easily be replaced if a treaty made by it is not approved by the Legislature. In India the position is obviously different and hence the anxiety for the Legislature to see that the Government do not barter away the rights of the country even as they did on the occasion of the Ottawa Trade Agreement. It is therefore gratifying to note that the resolution was passed *nem-con.*

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(WHEN WRITING TO ADVERTISERS PLEASE MENTION SOUTHERN INDIA COMMERCE.)

Compulsory Registration

(BY MR. P. P. SARADHI B.A., B.L.)

India has not sufficiently advanced in the registration of titles. The Law of Registration is further defective in that if the *corpus* is not immoveable property such as land or house, rights to the same are not secured by registration. The Indian Registration Act does not make it obligatory that certain incorporeal rights should be registered. What could be easily mended by law, the Court of Equity is expected to do, creating a lot of confusion and uncertainty. Numerous principles on Equity thus crept into application. This latter often depends upon the whims and fancies of the judges. The difference between legal rights and equity rights is necessitated by want of uniformity in the law of Registration. One patent defect is that rights affecting immoveable property less than one hundred rupees in value need not be registered. If there is a document it must be registered. But any transaction regarding them can be purely *oral*. When rights created by word of mouth and acted upon come in conflict with rights created by registered document litigation increases enormously and courts drift themselves into unending vortex of *discussion of oral evidence*. Licences and rights in the nature of easements need not be registered-house rent deeds for less than a year need not be registered whatever be the rent value. Agricultural leases have been exempted when they are for years five or less. The consequence is documents are faked up and perjury in courts is rampant. While mortgage of even a cent of land is possible by a registered document, pledge of goods or articles of high value are effected orally or by scripts containing only the names and value of the articles and the amount of pledge leading to fraud and misappropriation. Registration need not ordinarily hamper quick business transactions. For the holder of the document can be allowed to present it for registration *with in a week after* the pledge or after the *transaction is even carried out*. The advantage secured is that rival claimants if any would be affected by what is called "legal notice" created by the registration. Can anybody doubt its usefulness?

How a Bank suffered enormously by conversion of goods after a pledge to it, for want of suitable precautionary measures, is revealed in the sensational case turning on the insolvency of *C. K. N. Aiyer & Sons* reported in Vol. I. 1938-Page 52 in *the All England Law Reports* in the case *Mercantile Bank of India Ltd.* Vs. *Central Bank of India*. After obtaining advances from the Central Bank of India on the security of railway receipts the merchants re-pledged the goods in the same manner to the Mercantile Bank. The question of title to the goods was raised by the Central Bank and on appeal by the Mercantile Bank the decision of the Madras High Court which was in favour of the Central Bank was upheld by the Privy Council. They found no difficulty in holding that there was no estoppel against the respondent in their returning the railway receipts for clearing purposes to the merchants and they acted bona fide; they were not guilty of any breach of duty. No weight was attached to the placing of the Banks stamps on the receipts for it was open to the Merchant to clear the goods on the strength of the receipts and re-pledge the goods as such to the other Bank. In fact the merchants did adopt that device. The Central Bank having obtained a valid pledge did not lose their rights by what the merchants did. The result is that the mercantile Bank were held liable for conversion.

Mr. G. D. Birla's Address to the All-India Organisation of Industrial Employers at the Fifth Annual Meeting.

"Gentlemen, The year under review has been marked by events of great importance, political as well as economical. In the political sphere, we have now autonomous Governments functioning in all the provinces. People have begun to breathe a different atmosphere. In the seven provinces where the Congress is the Government, measures of far reaching importance are being planned and considered. If in certain respects impatience is observed, it is only an indiction of a fervent desire to improve the condition of the masses, a thing which every one of us would welcome from the bottom of his heart. Mistakes due to inexperience and hasty decisions are bound to be made, but who is infallible? And where the purpose is honest and means good, pitfalls are guarded by Him Who guards the destiny of us all.

"As was natural, the advent of a new Government responsible to its own electorate was heralded by new hopes, new expectations. In the effervescence of high hopes, one is apt to emphasise one's rights rather than one's duty. If every one talks only of rights at the expense of duty, then disorder and chaos is the only end, be it a small family or a big nation. Millennium could be visualised in a society where every one talks only of duty and forgets the rights, but that society perhaps could only be conceived and not perceived. The world is what it is. There has to be therefore a compromise between duty and right. If that compromise is based on equity and justice, the rights are automatically safe-guarded and perhaps people can devote greater attention to their duties.

"In any case, with the advent of new hopes, an all-round ferment was inevitable. It has not confined itself to the industrial population alone. Perhaps agrarian trouble is likely to cause much greater anxiety to the Governments concerned than the industrial discontent. But since we are directly concerned only with the industrial population, a few comments on the position would be necessary. There have been strikes at Cawnpore, Ahmedabad and a number of other centres. Cawnpore caused the greatest anxiety. In Ahmedabad, timely action on the part of the Government nipped the storm in the bud. But repression is not the remedy. Repression has to be resorted to in the larger interest of society just as a surgeon uses his knife in the interest of the patient. But elimination of the diseased portion of the body by drastic measures is as much a necessity as the purification of the system. And the Government rightly did not stop at repressing the violent elements. It immediately took up the constructive side of the work which is represented in the Labour Enquiry Committee's Report. It would be rash on my part to give my unqualified support to all its recommendations. The most competent critics will be those who are directly affected by these. But I would commend this much for the consideration of the employers. Is the choice confined between *status quo* and the recommended position? I would say certainly not. The choice is between a discontented labour and a contented one. And I have no doubt that all of us would every time prefer contented labour to discontented labour. If that be the criterion of our judgment of these Reports, then no doubt we must whole-heartedly support their recommendations.

"I am glad that the employers who have been loaded with new burdens under the recommendations have accepted them and have thus given ample proof of their patriotism and farsightedness.

"It would not be out of place now if I made general observations on general principles.

"Whenever there is a clash of interests between industry and labour, the public sympathy is always with the workers. It is natural. The poor must command sympathy of every one. That the earnings of the poor must be levelled up even at the expense of the rich, few amongst the employers would object to. But sympathy based on mere sentiments, and not on intelligent logic and correct appreciation of realities, may not always be in the wider interest of even the workers, to say nothing of other interests of equal importance like that of the agriculturist and the consumer I will appeal to the public therefore to take more intelligent and analytical interest in the economics of industry in relation to the earnings of labour—its employment, purchasing power of the consumer, the producer of raw marterial and last but not the least the shareholder who has rendered such a tremendous service during the past thirty years by way of creating a vast field of employment in the country. Sentiment is a great virtue. I myself am a bit of a sentimentalist, but unless sentiment is based on reason it is apt to take us farther back from our goal which we all aspire to reach.

"As I said in my speech last year, most of the disputes arising between the employer and the employee are due to the question of wages. The Bombay Enquiry Committee too, in order to appease the workers, has decided to recommend in an interim report an increase in wages. Other questions may wait but not the question of wages. The U. P. Enquiry Committee will issue its report shortly and the C. P. Enquiry Committee has just begun its work. Perhaps all these reports primarily will deal with the question of wages. And I wish to put forward some general observations on this aspect.

"A decent living wage is a desideratum on which there could be no two opinions. But there are other factors equally important even from the exclusive point of view of labour itself which should not be ignored. India being an agriculturist country and land being over-burdened, it could safely be said that at least one-fourth or perhaps more, of its population is without employment. Consequently, wages in the rural area are extremely low. Perhaps the ratio between the rural and the urban scale of wages may be 1 to 12, or even higher. Owing to the higher cost of living in urban areas and also the special skill required in a factory worker, disparity between the two earnings it not only inevitable but also desirable. But let us not fail to take note of the evil results of any undue disparity. An unreasonable disparity would very largely influence the rural population to offer their labour to factory. When there is more supply than the demand, the rates of wages ordinarily must fall. But as in this case fall would be prohibited by law, the employer will be compelled to adopt another convenient course to keep his cost down. That will be the course of rationalisation and adoption of labour saving devices. The result of such a policy will be fewer men in employment and higher wages. Most uptodate machinery will have to be purchased from abroad for this purpose, which requires remittance of millions of rupees to foreign countries. So far India has lagged much behind the other countries in respect of rationalisation and labour serving devices. In India a man generally minds 200 spindles and 2 looms in a Cotton Mill. Against this, in foreign countries one girl minds 1,000 spindles, or even more and 6 looms. But there are countries where one man minds as many as 40, and even a larger number of automatic looms. India has not adopted these methods so far because of the cheapness of wages. Once the wages are put unduly high in extreme disparity of the rural wages, labour saving devices will be resorted to with the results already mentioned. The country should not fail to take note of this aspect of the question. We have to choose between higher wages with less employment and moderate wages with large employment.

"The second point that we have to consider is the effect of unduly higher wages on industrialisation. Everybody feels the need of providing greater employment to the army of unemployed. And greater industrialisation has been suggested as one of the remedies for the malady of unemployment. But is greater industrialisation possible if our cost is higher than the cost of imported material? It is in order to maintain the cost of imported stuff higher than the cost of goods manufactured in the country that tariff protection is being provided. And I have no doubt that every Government will have to pursue this policy in future so long as we are not fully developed industrially. And rightly too. But let us not forget that it is the same poor consumer who pays or rather is asked to invest for this policy of tariff protection in order that eventually he may reap its benefit. And if wages are increased to too high a proportion, either the tariff wall will have to be raised much higher—a greater sacrifice for the poor—or the policy of protection will fail which means that his investment is lost. In the latter possibility the process of industrialisation will be thwarted in which case the problem of unemployment will become further acute.

"There is a third point. A day must come when not the customs but perhaps the industries will be the largest source of revenue to the Government of the country. And only a prosperous industry can act for the Government as a source of taxation.

"To sum up, therefore, firstly in the interest of greater employment, which will be seriously jeopardised through rationalisation and labour saving devices, and also through hinderance to industrialisation, and secondly in the interest of the tax-payer, extremely disproportionate wages are not in the wider interest of the country. Let no one run away with an idea that higher wages must eventually come out of the pocket of the industry concerned. If it comes definitely and the whole of it out of the pocket of the employers, then the hen that lays the golden egg will die soon and there will neither be the employer nor the employee. It is only partially true that higher wages come out of the coffers of the industry. To a great extent, the fact is that it is the worker himself (higher the wages, less the workers for the same job through labour saving devices and rationalisation), the tax-payer (through protection etc.), the consumer (who will be compelled to pay higher price for his needs) and the agriculturist (who due to lower purchasing power of the industry will be compelled to sell his raw produce cheaper) who eventually pay the higher wages. The industry is only one of the party that is affected by higher wages. Substantially it is a clearing house.

"So long as people had no responsibility in the Government, the old method of irresponsible talk would not matter much. But now in the provinces, they are their own masters. The Government is only their servant. And at the Centre, responsibility is coming sooner than we expect. It is desirable therefore that the public should not run away with loose ideas but analyse every aspect of our life as responsible persons and express their views based on reason and logic.

"Let me not be misunderstood. I am not criticising the recommendations of the Enquiry Committees. On the contrary, I welcome and support their decisions. But as an industrialist, I must say that it is not the industry but the public at large on whom ultimately falls, to a great extent, the Wage Bill And therefore it is they who have to decide whether a higher wage with smaller employment, higher price to the consumer, lower price to the producer, is preferable to a reasonable wage bill with reasonable price for the consumer and the producer and a reasonable dividend for the investor and reasonable contribution to the exchequer.

"If industry is to be treated as a fount of prosperity for the worker, the consumer, the agriculturist and the investor, then every action that affects the industry will have to be considered with a wider outlook. It is the benefit of the country as a whole that will have to be taken into consideration and not that of a particular section of it. I have no doubt that this is also the view of the various Provincial Governments who are so widely interested in the welfare of the masses. It was gratifying to note therefore that in a speech recently delivered by H. E. The Governor of Bombay, it was declared as his Government's policy, "The worker is dependent upon the industry and it would be doing a poor service to labour if any legislation passed for benefit lessens the field of employment or hinders the development of the industry."

"One thing more and I will finish. If industry is the fount of bread for all, then industrial peace assumes an importance the effect of which could never be exaggerated. Such peace could be achieved only if there were genuine Trade Unions with whom the employers in time of emergency could negotiate. Unfortunately, such a condition seems yet to be far off. Not only except in Ahmedabad, there are no genuine Trade Unions to represent, the workers, but some of those at other centres which claim to represent labour exist merely for their exploitation for revolutionary purposes. Is it not possible for the Provincial Governments until genuine Trade Unions came into existence, to control all questions causing dispute between the employer and the employee and enforce their will on both the parties to prevent lockouts and strikes?

"I understand that Bombay Government have such a proposal under consideration and I welcome this."

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Proceedings of Public Bodies

Southern India Chamber of Commerce, Madras.

28th Annual Meeting of the Chamber.

The 28th Annual General Body meeting of the Chamber was held at 4 p.m. on Saturday the 26th March 1938 at the Chamber premises. There was an attendance of 360 members. The retiring President Diwan Bahadur Govindoss Chathoorboojadoss in moving the adoption of the Report and the audited statement of accounts said that the Chamber showed all-round progress in the year 1937. Soon after removing the limit of membership of the chamber the membership has come to 552 and included 13 affiliated bodies. The necessity for holding frequent General Body Meetings with a view to deliberate upon the momentous pieces of legislation and administrative changes he said, was fast becoming necessary.

Dealing with the work of the responsible Government that is at work in the Province he said that they should put more faith in consultation of interests and due deliberation before launching upon drastic changes. Their care and vigilance would perhaps have to be doubled in the future as the Ministry seem to have no kindly eye on the mercantile community and its assumed resources and seem to think that it can stand any amount of transfusion.

With regard to the development of Indian Commerce and industries he said: " while all important countries pursue a policy of self-sufficiency it would be madness for India to continue her faith in foreign markets undiminished. The day is fast coming on when India will find the foreign markets practically inaccessible except at great national sacrifice and what the Provincial Governments could do to avoid sucha catastrophe is to develop the home market for our agricultural and industrial products". With regard to the Agricultural Debt Relief Act he said "the debtor who finds one fine morning that an extra-benign Government has given him a clean slate is exactly the one who will require the *Deux ex Machina* to play again and again to clean his slate." Proceeding he said that Government of India will be well advised in concluding trade agreements with the principal customers countries like the United States, Germany, Italy and France for developing India's export trade. Another way of stimulating the export trade is by the appointment of practical business men as Trade Commissioners abroad and not by appointing civilians. The reduction of the exchange value of the rupee is yet another step in the direction of developing the economic prosperity of the country.

Reduction of hours of work.

The Government of Madras asked for the views of the Chamber on their proposal to reduce the hours of work in factories from 9 hours to 8 hours a day. They also suggested that by putting the plant and machinery to increased use and making full use of the hours of work by the labourers, the reduction of hours of work would not be felt.

The Chamber however pointed out that the recent reduction of hours of work from 10 hours to 9 hours a day has itself been a great handicap to industrialists. Government have been attempting various pieces of labour legislation but one saving grace with those measures was that they were enacted on an All-India basis. The present proposal of the Local Government would, the Chamber pointed out, place the factory owners in Madras under a peculiar handicap. The reduction of hours of work from 10 to 9 has not in any way increased the efficiency of labour as was hoped and the present attempt at still lowering the hours would only result in the factory owners being asked to pay higher salaries for smaller outturns. With regard to the question of increased use of machinery it was pointed out that even now they are employed for a period of 22½ hours a day so that further increased use cannot be thought off. There are other factors also which stand in the way of reduction of hours of work. Reduction of hours of work would inevitably mean smaller consumption of electrical energy and factory owners cannot take advantage of the lower tariff rates applicable to larger consumption of energy. Finally the Chamber pointed out that having regard to the industrial backwardness of the province compared to sister-provinces and having regard to the competition experienced at the hands of foreign countries the time is not opportune for a reduction of hours of work.

The Andhra Chamber of Commerce, Madras.

The Chamber in addressing the Finance Department of the Government of India on the subject of the proposed changes in the Indian Incometax Act as regards representation of assessees and their accounts before the Incometax Officials observed that while the chamber is in favour of removing all kinds of legal evasions and malpractices it is definitely against any kind of monopoly in favour of one set of people. The help of people versed in Income-tax law is needed by all classes of assessees and that the services of auditors are far too expensive for the poorer class of assesses whose incomes are either between Rs. 2000—5000 or border on 2000 or less. The services rendered by the Incometax practitioners are therefore very useful especially for this class of assessees. The attempt made by the qualified auditors is not only to establish a monopoly but also to impose on the Income-tax Department their verdict regarding the accounts audited by them—a step which is unwarranted and dangerous. If this is conceded to it will be an additional hardship on poorer class of assessees who may be on the border line. Therefore the Chamber is opposed to the principle of creating any class of monopolists, especially regarding auditors and accountants who are to help the income-tax authorities to ascertain the correct income of the people.

In their communication with the Finance Department of the Government of India on the Indian Budget the Committee of the Chamber state that they are very much disappointed with the budget. Even though there is a surplus budget the Government do not see their way to remove the surcharge on income-tax and to grant any relief in taxation and if anything the prospects are for a higher taxation on account of increased Defence Expenditure The Committee observe if that provincial autonomy is not to wreck on the rock of finance, the financial relations between the Central Government and Provincial Governments should be placed on a more scientific basis. No grant has been made for rural development in the central budget.

The Committee are of opinion that the contribution by Great Britain to India for her military defence is entirely inadequate. Apart from it, this amount is intended for the mechanisation of British units and not Indian units. The annual cost of mechanisation is expected to be Rs. 85 lakhs while the contribution from Great Britain is to be only Rs. 27 lakhs. The Committee opine that Britain should bear at least 50 per cent. of this expenditure. The Committee write to say that they are gratified to note that the annual contribution of £100,000 for naval defence is to be stopped and that instead the Government of India will maintain a sea-going fleet of not less than six modern escort vessels and the committee hope that the Government will see that the personnel of the naval force will be mostly Indian.

Bombay Chamber of Commerce, Bombay February 1938.

Groundnut Conference:—At a conference which was held in Bombay on the 27th September 1937 between certain representatives of associations and mills dealing in groundnuts and the Agricultural Marketing Adviser to the Government of India, it was pointed out that the acreage under groundnuts in India had increased by more than 10 times in the past 40 years during which time new varieties and new methods of decortication had been introduced. This had involved the introduction of new contract terms from time to time and there was now considerable variation in the terms of existing contracts. In view of these conditions the necessity of having a standard contract was stressed not only for the benefit of the trade, but in order that the charges and deductions to which the producer was liable might be as uniform and low as possible so that he might get the maximum return for his crop. It was suggested that there should be four standard contracts for four standard types based on the size or the kernels. Several suggestions were put forward at the conference for the standard contract of Groundnuts.

The papers in this connection were circulated amongst members interested in the Groundnut trade and after obtaining their opinions the Committee offered the following suggestions to the Agricultural Marketing Adviser:—

(I) Separate contracts in respect of three standard types of Indian decorticated Groundnuts:—

(A) Kandeish
(B) Coromandel
(C) Bold.

The Committee did not consider that these fully represented the varieties available. In the case of type (A) it was not specified whether this standard would represent only Groundnuts produced in Kandeish or whether it included *all* small round kernels such as produced in the Hubli and other districts. If the latter was the intention then the committee did not consider the standard a proper one for the trade to base itself on considering their intrinsic value in respect of oil. They considered two separate standards should be nominated for Khandeish quality, one representing groundnuts, produced in Kandeish and the other representing groundnuts produced in districts other than Kandeish.

The Committee also considered that a separate standard should be provided for the variety of groundnut known as "Karad" which was a cross between Coromandels and Bold.

(II) *Under Description*:—The admittance of Lal Boria (Red Netal) to the extent of 5 per cent into the standard types was far too excessive. The Committee considered that the percentage should be reduced to 1 per cent.

(III) *Under Condition*:—The Committee stated that this clause was not quite clear but they would be pleased to express their comments if its purpose was explained. The period of sun test should, however, be increased from 1 hour to 3 hours as the former period was insufficient for an adequate test.

The Committee also proposed the following amendments:—

(IV) Under Refraction and Allowances:—

D. Slightly damaged (touched or externally discoloured).

The basis should be the same as for Damaged kernels *i. e.*, Basis 2 per cent tolerance.

From 2 per cent. to 4 per cent. the whole (*viz.*, 0 to 4 per cent.) would be reckoned as ¼ dirt.

From 4 per cent. to 7 per cent. the whole (*viz.* 0 to 7 per cent.) would be reckoned as ½ dirt.

F. Broken kernels and
G. Nooks:—These should be treated as one under the scale for Nooks. Two separate scales would lead to many disputes between sellers and buyers.

H. *Special terms in regard to castorseed.*

Castor Beans nothing free.

From 1 to 8 beans per bag cleaning charges at the rate of 1 anna per bag to be recovered from sellers. Over 8 to 15 beans per bag cleaning charges 2 annas per bag.

1. Option to Reject.

(*b*) when the damaged and slightly damaged Kernels exceeded 7 per cent.

(*c*) when the goods contained more than 15 Castor Beans per bag.

The Committee drew attention to the fact that goods at the time of delivery might contain a certain percentage of slightly damaged which after a few weeks became fully damaged and therefore their opinion was that slightly damaged should be treated on the same basis as fully damaged kernels.

Upcountry Surveys—Claim for shortages against Railways:—Members interested in insurance were advised by circular No. 307/S1 of the 27th January 1938 of a communication that had been addressed by the Railway Board to the Associated Chambers, in which insurance companies were asked to furnish individual railways in strict confidence, with details of all consignments on which claims had been paid during say the last six months.

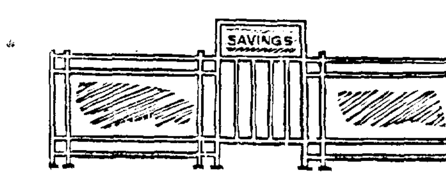
A statement was drawn up by the Bombay Underwriters' Association which the Committee forwarded to the Indian Railway Conference Association. Attention was drawn to the fact that since the time given for submission of the figures was so short and the period covered was limited to the last six months, it detracted considerably from their usefulness.

The Committee added that a well-known insurance company which was a member of this Chamber, had stated that their experience had been so bad in the past in this matter that they had found it necessary to refuse theft, pilferage and non-delivery cover for despatches by railway even at greatly enhanced rates, and they considered that any details of claims furnished were not likely to be representative of the actual losses, which had been suffered by consignors.

Madras Port Trust March 1938:—

Resolved with reference to Resolution No. 469 dated the 25th February 1938 that the tender of Messrs. M. Cunniappa Nayagar and Company, for the supply of labour to the Trust's Traffic Department for the handling of cargo for a period of five years from the 1st September 1938 be accepted though it is the highest tender, subject to the sanction of Government under Section 87 of the Madras Port Trust Act to the acceptance as well as to the form of agreement to be entered into with the company for the supply. Commander G.M. Osborne Smith, R.I.N., M.R.Ry. Diwan Bahadur Govindoss Chathoorboojadoss Garu, M.R.Ry. Alathoor Doraswami Chetty Garu, and Mr. K.M. Akbar Badsha Sahib dissented from the Resolution. Mr. A.A. Hayles remained neutral.

FOR BANKS & OFFICES



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MONTHLY

MAY 1938

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Vol. 1 No. 7

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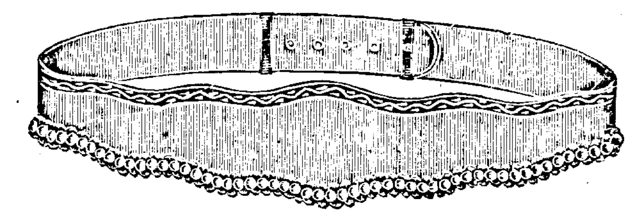

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MAY 1938

Industrial Finance

BY

Dr. B. V. Narayanaswamy Naidu, M.A., B. Com., Ph. D., Bar-at-law.

In any scheme for the financing of Industries the importance of capital cannot be over-estimated. Though many factors contribute to healthy industrial development, it must be admitted that capital is the backbone of industry. In an age of large-scale industrial enterprise, large output and mass production, a large capital outlay is of the utmost importance. Large-scale industries are as yet few in India though the need for industrial development is beyond dispute. When the need for increased capital is, therefore, greater than ever, the gravest problem that faces the entrepreneur in India is the securing of adequate capital on reasonable terms for this industrial enterprise. With the solution of this problem most of the difficulties in the way of speedy and extensive industrial development can certainly be overcome.

Considering the industrial and material resources of India, what little increase in the capital invested in industries there has been appeared inadequate and has been very slow in coming. The inadequate investment of indigenous capital becomes evident when we consider the vast amount of non-Indian capital invested in various industrial and commercial establishments in this country. Large amounts of money have been invested in India by foreigners in such industries as Jute, Mining, woollen, cotton Mills and Tanneries. Giving evidence before the Simon Commission, the Associated Chambers of Commerce estimated the amount of British capital invested in India at about a thousand million pounds. If we compare this with the amount of Indian capital invested in industries the meagreness of Indian capital becomes patent.

The inflow of foreign capital was pointed out as inimical to the best interest of India by a number of witnesses before the Indian Fiscal Commission and a good case has certainly been made out for the restriction of the free flow of foreign capital into India in the minute of dissent of the Indian Fiscal Commission. Only by adopting their suggestion can India derive the maximum benefit out of the policy of discriminating protection that she has adopted at a sacrifice.

This inadequacy of Indian capital can be attributed to various causes. One is the shyness of the Indian investor. Though exaggerated accounts have often been given of the hoarding habits of the Indian people it cannot be doubted that large amounts of money now spent on gold and silver ornaments could be more usefully diverted into productive channels. This nervousness of the public may be attributed to the absence of any recognised method of advice and assistance regarding investments. Since the banking habit has not developed much in India very few people can get help or advice from Banks in these matters. Stock-Exchange facilities are also limited to the sea ports and large cities. The failure or lack of growth of small enterprises has also helped to shake the confidence of the public. Again, insurance companies do not invest their surplus capital in debentures. Atleast in the early stages of Industrial development, sufficient capital can be secured only if the state adopts a policy of progressive assistance to infant industries. Till very recently little financial assistance was given to them by the state. For example, even under the Madras State-Aid Industries Act, very few applicants received assistance.

In other countries the state has fostered the growth of industries by assistance direct as well as indirect. In Japan, the state has taken the initiative not only by starting and running industries itself but also by entrusting them to private agencies as soon as they can manage them, by a liberal policy of loans and subsidies, by establishing technical schools and experimental laboratories, and by the purchase and loan of foreign machinery. Most industries in Japan to-day owe their continued prosperity to government support. Even in England the state has given considerable help to industries under the Trade Facilities Acts and helped certain industries by subsidies; and in order that industries might get further financial assistance, the May Committee supported the creation of a Bankers Industrial Development Company.

Banks also play a prominent part in the financing of industries in such countries as France, Germany England and America. Scarcely a single important company in Germany, has been founded without the colloboration of a bank. In France also, close connection is maintained between the banks and the industries, and people rely for their investment mainly on the advice tendered to them by the banks. American banks have also contributed a good deal to the development of industries in their country.

The attitude of Banks in India towards Indian Industries presents a striking contrast. Close connection between banks and industries is nowhere in evidence in this country. Banks in India prefer to invest their capital in government securities rather than advance funds in Indian enterprises even on reasonable security. The Banking Enquiry Committees, Central and Provincial, endorse the view that banks have not been giving adequate credit facilities to Indian concerns. The lack of banking facilities, the high rate of interest, the rigid rules that are followed and the conservative policy adopted by banks make it difficult for industries to get the required finance.

It must now be evident that in India neither the state nor the existing banking institutions have seriously tackled the problem of the financing of industries. The needs of industry can be met in some measure by a re-orientation of policy on the part of the existing commercial banks. As the German banks do, they can take an active part in the issue of shares and debentures. However, even when this change of policy is effected by existing banks the needs of industry cannot be fully met. They are unable to provide the large initial capital necessary for the starting of new industries on modern lines. Even the demands of adequate working capital cannot be fully met by them. The need for special institutions devoted exclusively to industry becomes manifest when we consider that ordinary banks can devote only a fraction of their time and resources to industry. Having regard to the demands of industry in this country special Industrial Banks are an imperative necessity. In addition to providing adequate funds for industrial expansion, banks of this kind can also serve as connecting links between industries and the general public by giving technical advice whenever necessary.

Therefore, the problem of the adequate financing and development of Indian Industries can be best solved by the establishment of a net work of Industrial Banks throughout the important cities of India.

Agriculture

Crop Forecasts.

The following crop statistics have been compiled by the Department of Industries, Madras.

Groundnut (as on 11th April 38)—**MADRAS**

The area sown with the summer or irrigated crop of groundnut during the three months January to March 1938 is estimated at 51, 400 acres. When compared with the estimated area of 45,500 acres for the corresponding period of last year, there is an increase of 13 per cent.

2. Figures by districts are given below:—

DISTRICT.		Estimate of area sown with irrigated groundnut from January to March 1938	1937	Increase (+) or decrease (–) of the area in column (2) as compared with the area in column (3).
(1)		(2) Acs.	(3) Acs.	(4) Acs.
Anantapur...	...	300	200	+ 100
Cuddapah ...	...	2,000	3,000	— 1,000
Nellore ...	...	100	100	Nil.
Chingleput...	...	12,000	6,000	+ 6,000
South Arcot	...	20,000	22,000	— 2 000
Chittoor ...	...	6,000	5,500	+ 500
North Arcot	...	1,500	2,000	— 500
Trichinopoly	...	1,000	1,500	— 500
Tanjore ...	...	1,500	1,500	Nil.
Madura ...	...	5,000	2,500	+ 2 500
Ramnad ...	...	2,000	1,200	+ 800
Total	...	51,400	45,500	+ 5,900

3. The wholesale price of groundnut (shelled) per imperial maund of 82-2/7 lb. (equivalent to 3,200 tolas) as reported from important market centres on 4th April 1938 was Rs. 3-12-0 in Vizianagram and Guntur, Rs. 3-5-0 in Vellore and Anantapur, Rs. 3-3-0 in Cuddapah. Rs. 3-2-0 in Adoni, Hindupur and Tadpatri, Rs 3-0-0 in Nandyal and Bellary. When compared with the prices published in the report for the corresponding period of the previous year, i.e., those which prevailed on 5th April 1937, these prices reveal a fall of about 41 per cent in Nandyal and Bellary, 43 per cent in Cuddapah, 40 per cent in Adoni and Vellore, 30 per cent in Guntur and 38 per cent in Vizagapatam.

Gingelly (as on 12th April 38)—**MADRAS**

The average of the areas under gingelly in the Madras Presidency during the five years ending 1935-36 has represented 15.2 per cent of the total area under gingelly in India.

2. The area sown with gingelly in 1937-38 is estimated at 814,400 acres. When compared with the area of 783,000 acres estimated for the corresponding period of last year, it reveals an increase of 4 per cent. The present estimate also reveals an increase of 1.5 per cent as compared with the finally recorded area of 802,143 acres last year. The area in an average year is estimated at 764,060 acres.

3. 268,000 acres have been reported as sown since the previous forecast report was issued in January as against 271,100 acres during the same period last year. These late sowings were mainly on wet lands in the Circars, South Arcot, Trichinopoly and the South where gingelly was raised as a second crop after paddy.

4. As compared with the actual area sown last year, there has been an increase in area in Kurnool, Nellore, Central districts (Chittoor excepted), the South and the West Coast, partly counter balanced by a decrease in the other districts. The estimated area in respect of Nellore, Salem, Coimbatore and Ramnad is the highest on record since 1923-24 whilst the area in respect of East Godavari and Kistna is the lowest estimated since the same year.

5. The yield is estimated to be below normal excep in Guntur, Cuddapah, Nellore, Salem, Ramnad and South Kanara where it is expected to be normal. The condition of the late sown crop is generally fair.

The seasonal factor for the Province works out to 90 per cent of the average as against 91 per cent according to the Season and Crop Report of last year. On this basis, the yield is estimated at 99,100 tons as against 100,050 tons according to the season and Crop Report of last year and an average yield of 104,020 tons.

6. The wholesale price of gingelly per imperial maund of 82-2/7 lb. (equivalent to 3,200 tolas) as reported from important markets on 4th April 1938 was Rs. 6-9-0 in Trichinopoly, Rs. 6-8-0 in Cocanada, Rs. 6-6-0 in Salem and Tinnevelly, Rs. 6-4-0 in Vizianagram, Rs 6-1-0 in Ellore, Rs. 6 in Tuticorin and Rs. 5-9-0 in Rajahmundry. When compared with the price published in the last report, i.e., those which prevailed on 7th February 1938, these prices reveal a rise of 5 per cent in Rajahmundry, 4 per cent in Vizianagram and 1 per cent in Cocanada and a fall of 1 per cent in Ellore, the prices remaining stationary in Salem, Trichinopoly and Tinnevelly.

7. Figures by districts are given below:—

(Area in hundreds of acres, i.e., 00 being omitted : yield in hundreds of tons i.e., 00 being omitted.)

DISTRICT AND GROUP	Estimate of the area sown up to the end of Dec. 1937	Estimate of the area sown up to the end of March 1938	Area sown in 1936-37 according to the Season and Crop Report.	Increase (+) or decrease (−) of the area in column (3) as compared with the area in column (4)	Percentage of the estimated yield per acre in the current year as compared with the normal yield per acre.	Estimated yield corresponding to Column (3)	Estimated yield corresponding to Column (4)	Increase (+) or decrease (—) of the yield in column (7) as compared with the yield in column (8).
(1)	(2) Acs.	(3) Acs.	(4) Acs.	(5) Acs.	(6)	(7) Tons.	(8) Tons.	(9) Tons.
Vizagapatam	123,0	167,0	167,5	− 5	95	23,8	26,9	− 3,1
East Godavari	40,0	61,0	93,4	− 32,4	95	8,7	13,7	− 5 0
West Godavari	22,0	50,0	68,0	− 18,0	90	6,8	6,0	+ 8
Kistna	3,5	3,6	7,3	− 3,7	80	4	1,0	− 6
Guntur	1,5	(r) 1,4	1,6	− 2	100	2	2	Nil
Total, Circars ...	190,0	283,0	337,8	− 54,8	94	39,9	47,8	− 7,9
Kurnool	1,1	2,0	1,8	+ 2	90	2	2	Nil.
Bellary	8,0	(r) 7,8	18,4	− 10,6	60	5	1,6	− 1,1
Anantapur	27,0	31,5	36,1	− 4,6	61	1,9	2,7	− 8
Cuddapah	4	4,0	6,4	− 2,4	100	4	6	− 2
Total, Deccan ...	36,5	45,3	62,7	− 17,4	66	3,0	5,1	− 2,1
Nellore	5,5	8,5	7,4	+ 1,1	100	1,1	8	+ 3
Chingleput	26,0	33,5	36 3	− 2,8	95	4,0	4,3	− 3
South Arcot	14,0	53,0	53,8	− 8	83	5,5	5,6	− 1
Total, Carnatic ...	45,5	95,0	97,5	− 2,5	89	10,6	10,7	− 1
Chittoor	7,0	(r) 6,5	7,1	− 6	85	7	8	− 1
North Arcot	34,5	35,0	23,7	+ 11,3	75	3,3	2,3	+ 1,0
Salem	67 0	67,0	40,3	+ 26 7	100	8,4	4,8	+ 3,6
Coimbatore	57,0	57,0	26.7	+ 30,3	96	6,8	3,0	+ 3,8
Trichinopoly	51,0	59,0	58,8	+ 2	90	8,0	8,6	− 6
Total, Central ...	216,5	224 5	156,6	+ 67,9	92	27,2	19,5	+ 7,7
Tanjore	4,0	26,0	26,0	Nil.	90	3,5	3,3	+ 2
Madura	29,0	31,0	22,7	+ 8,3	94	3,6	2,8	+ 8
Ramnad	5,0	32,0	28,5	+ 3,5	100	4,0	3,6	+ 4
Tinnevelly	9,0	65 0	58,2	+ 6,8	75	6,1	6,4	− 3
Total, South ...	47 0	154,0	135,4	+ 18.6	87	17,2	16,1	+ 1,1
Malabar	9,4	10,0	9,8	+ 2	88	9	6	+ 3
South Kanara	1,5	2,6	2,3	+ 3	100	3	3	Nil.
Total, West Coast ...	10,9	12,6	12,1	+ 5	90	1,2	9	+ 3
Total, Province ..	546,4	814,4	802,1	+ 12,3	90	99,1	100,1	− 1,0

Cotton (as on 25th April. 38)—**MADRAS.**

The average of the areas under cotton in the Madras Presidency during the five years ending 1935—36 has represented 9.5 per cent of the total area under cotton in India.

2. The area under cotton in the Madras Presidency in 1937—38 is estimated at 2,556,100 acres as against 2,578,400 acres for the corresponding period of last year and 2,512.000 acres according to the forecast issued in February. The present estimate for the Presidency represents an increase of 1.7 per cent as compared with the finally recorded area of 2,512,194 acres in 1936-37. The final estimate of last year exceeded the actuals by 2·6 per cent.

3. Picking of cotton is in progress and may be finished within a month.

4. Normal yield is expected in Chittoor, North Arcot, Tanjore, Madura (irrigated Cambodia only), Malabar and South Kanara. A yield below normal is expected in the other districts. The estimated yield is lowest in Anantapur (57 per cent). Bellary comes next with 60 per cent.

The seasonal factor for the Presidency works out to 96 per cent of the average for irrigated and 80 per cent for unirrigated cotton, the corresponding figures according to the Season and Crop report of last year being 94 per cent and 86 per cent respectively. On this basis the yield works out to 505,200 bales of 400 lb. lint as against 497, 120 bales last year which represents an increase of 1.6 per cent. The yield in an average year is estimated at 506, 570 bales. It is, however, too early to estimate the yield with accuracy as much will depend on future weather conditions and their effect on the second crop and on the amount of damage done by insect pests.

5. The estimated area and yield under the several varieties are given below :—

(Area in hundreds of acres, i.e., 00 being omitted; yield in hundred f bales of 400 lb. lint, i.e., 00 being omitted).

Variety.	Area. 1937-38	Area. 1936-37	Corresponding yield. 1937-38	Corresponding yield. 1936-37
(1)	Acs. (2)	Acs. (3)	Bales. (4)	Bales. (5)
Irrigated Cambodia...	264,8	244,9	159,9	140,1
Dry Cambodia ...	312,4	286,9	63,4	60,3
Total, Cambodia ...	577,2	531,8	223,3	200,4
Karunganni in Coimbatore.	142,0	131,5	28,9	30,1
Uppam in the Central districts.	34,9	37,7	5,2	6,1
Nadam and Bourbon.	25,2	17,8	1,1	9
Total, Salems ...	202,1	187,0	35,2	37,1
Tinnevellies * ...	547,5	625,5	134,0	155,0
Northerns & Westerns	1,091,0	1,079,0	89,7	116,2
Cocanadas ...	131,3	145,9	22,2	25,3
Others	7,0	9,2	8	1,2
Presidency ...	2,556,1	2,578,4	505,2	535,2

* Includes Uppam, Karunganni and mixed country cotton in the South.

6. The table below gives final information so far as it is available on the crop of 1936—37 :—

(Figures in hundreds of bales of 400 lb. lint i.e., 00 being omitted.)

Particulars.	South. Tinnevellies and Salems.	South. Cambodia.	Deccan Northerns and Westerns.	Rest of the Presidency Cocanadas and others.	Total.
(1)	(2)	(3)	(4)	(5)	(6)
(1) Pressed at presses and loose cotton received at miles in 1937-38.	140,9	245,7	103,5	30,3	5204,
(2) *Add* estimate of extra factory consumption.	6,0	Nil	6,0	4,0	16,0
(3) Total crop of 1936-37.	146,9	245,7	109,5	34,3	536,4
(4) Yield as estimated in April 1937.	192,1	200,4	116,2	26,5	535,2
(5) Yield as estimated in the Season and Crop Report.	172,9	196,6	103,2	24,4	497,1

NOTE :—(1) *Item* 1.—The entries mainly relate to the crop of 1936-37. The early sown crop in the Deccan, however, generally comes into the market from December in each year. The figures are taken from the weekly returns furnished by mills and presses.

(2) *Item* 2.—The figures are approximate.

(3) Figures of carry over of crop are not available nor are figures of arrivals and despatches by road of the different varieties available.

7. The average wholesale price of cotton lint per imperial maund of 82 2/7 lb. as reported from important markets on the 4th April 1938 was Rs. 15-2-0 for Cocanadas, Rs. 15-13-0 for White Northerns, Rs. 15-10-0 for Red Northerns, Rs. 13-0-0 for Westerns (early crop), Rs. 15-8-0 for Westerns (late crop), Rs. 21-15-0 for Cambodia, Rs. 23-7-0 for Coimbatore Karunganni Rs. 18-9-0 for Tinnevelly Karunganni, Rs. 17-2-0 for Tinnevellies, and Rs. 17-1-0 for Nadam cotton. When compared with the prices published in the last report, i.e., those which prevailed on 7th February 1938, these prices reveal a fall of about 9 per cent in the case of White Northerns and Tinnevellies, 8 per cent in the case of Cocanadas, and Nadam cotton, 6 per cent in the case of Coimbatore Karunganni, 5 per cent in the case of Westerns (Jawari or late crop) and Red Northerns, 4 per cent in the case of Tinnevelly Karunganni, and 2 per cent in the case of Westerns (early crop), the price of Cambodia remaining almost stationary.

8. Figures by districts are given in Statement No. I. Figures of area by varieties in the Central districts and the South are given in Statement II.

(Contd. in the next page).

STATEMENT II.

(Area in hundreds of acres, i.e., 00 being omitted.)

DISTRICT.	Area under irrigated cotton mainly Cambodia.	Cambodia.	Uppam.	Nadam and Bourbon	Tinnevellies.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Acs.	Acs.	Acs.	Acs.	Acs.	Acs.
South Arcot.	3	3,4	6,3	...	...	9,7
Chittoor ...	...	...	1	...	...	1
North Arcot.	...	1,5	...	...	...	1,5
Salem ...	27,5	79,0	1,4	2,2	...	82,6
Coimbatore. (a)	174,0	90,0	(b) 137,5	23,0	...	252,5
Trichinopoly	16,0	27,0	17,0	...	...	44,0
Tanjore ...	...	...	1	...	...	1
Madura ...	36,0	91,0	...	...	91,0	182,0
Ramnad ...	13,0	14,0	...	...	223,0	237,0
Tinnevelly ...	10,0	6,5	...	...	233,5	240,0
Malabar ...	...	...	3	...	...	3
South Kanara	...	...	2	...	...	2
Total ...	276,8	312,4	164,9	25,2	547,5	1,050,0

(a) Includes 12,0 hundred acres of irrigated Karunganni.
(b) Includes 130,0 hundred acres of unirrigated Karunganni.

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STATEMENT I.

(Area in hundreds of acres, i.e., 00 being omitted. Yield in hundreds of bales of 400 lb. lint, i.e., 00 being omitted.)

DISTRICT	Estimate of the area sown in 1937-38	Area in 1936-37 as per season and crop report	Average area as per season and crop report.	Increase (+) or decrease (−) of the area in column (2) as compared with the area in Column (3)	Column (4)	Percentage of the estimated yield per acre in the current year to the normal yield per acre: Irrigated	Unirrigated	Estimated yield of the area in column (2): Tinnevellies (a)	Cambodia	Salems (b)	Northerns and Westerns	Cocanadas	Others	Totals of columns (9) to (14)	Estimated yield of the area in column (3) as per season and crop report.	Estimated average yield as per season and crop report	Increase (+) or decrease (−) of the yield in column (15) as compared with the yield in Column (16)	Column (17)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
	Acs.	Acs.	Acs.	Acs.	Acs.			Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales
Madura ...	218,0	208,3	165,1	+ 9,7	+ 52,9	100	95	22,3	44,1	...	...	...	...	66,4	62,1	52,2	+ 4,3	+ 14,2
Ramnad ...	250,0	240,7	229,9	+ 9,3	+ 20,1	95	95	54,6	11,0	...	...	...	...	65,6	50,8	65,4	+ 14,8	+ 2
Tinnevelly ...	250,0	294,7	293,5	− 44,7	− 43,5	90	95	57,1	7,2	...	...	...	...	64,3	77,9	78,7	− 13,6	− 14,4
Total ...	718,0	743,7	688,5	− 25,7	+ 29,5	97	95	134,0	62,3	...	...	...	...	196,3	190,8	196,3	− 5,5	...
Chingleput ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
South Arcot ...	10,0	10,6	4,1	− 6	+ 5,9	92	92	...	6	9	...	...	...	1,5	1,7	8	− 2	+ 7
Chittoor ...	1	1	1	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
North Arcot ...	1,5	1,3	2,1	+ 2	− 6	...	100	...	2	...	...	...	...	2	2	4	...	− 2
Salem ...	110,1	97,8	76,2	+ 12,3	+ 33,9	95	95	...	32,2	3	...	...	...	32,5	28,6	26,2	+ 3,9	+ 6,3
Coimbatore ...	426,5	384,0	333,0	+ 42,5	+ 93,5	(c) 96	90	...	113,4	(d) 31,3	...	...	...	144,7	130,5	113,3	+ 14,2	+ 31,4
Trichinopoly including Pudukkottai.	60,0	62,9	57,4	− 2,9	+ 2,6	95	95	...	14,6	2,6	...	...	...	17,2	17,6	17,4	− 4	− 2
Tanjore ...	1	2	2	− 1	− 1	...	100	...	...	...	...	...	...	...	...	...	...	...
Malabar ...	3	5	3	− 2	...	...	100	...	...	1	...	...	...	1	1	1	...	...
South Kanara ...	2	2	2	...	...	...	100	...	...	...	...	...	...	...	...	...	...	...
Total ...	608,8	557,6	473,6	+ 51,2	+ 135,2	95	92	...	161,0	35,2	...	...	...	196,2	178,7	158,2	+ 17,5	+ 38,0
Kurnool including Banganapalle.	230,0	256,4	254,0	− 26,4	− 24,0	...	80	...	...	...	23,0	...	...	23,0	28,2	31,8	− 5,2	− 8,8
Bellary ...	630,0	591,9	557,4	+ 38,1	+ 72,6	...	60	...	...	...	47,3	...	...	47,3	54,8	69,7	− 7,5	− 22,4
Anantapur ...	161,0	143,3	117,0	+ 17,7	+ 44,0	...	57	...	...	...	11,5	...	...	11,5	13,8	14,6	− 2,3	− 3,1
Cuddapah ...	70,0	61,4	59,9	+ 8,6	+ 10,1	...	90	...	...	...	7,9	...	...	7,9	6,4	7,5	+ 1,5	+ 4
Total ...	1,091,0	1,053,0	988,3	+ 38,0	+ 102,7	...	66	...	...	...	89,7	...	...	89,7	103,2	123,6	− 13,5	− 33,9
Vizagapatam (Golgonda Taluk)	2,6	2,4	2,1	+ 2	+ 5	...	90	...	...	...	...	4	...	4	4	4	...	...
East Godavari ...	9,0	14,0	7,9	− 5,0	+ 1,1	...	95	...	...	...	...	1,6	...	1,6	2,2	1,5	− 6	+ 1
West Godavari ...	7	6	8	+ 1	− 1	...	60	...	...	...	...	1	...	1	1	1	...	...
Kistna ...	6,0	15,0	20,4	− 9,0	− 14,4	...	95	...	...	...	...	1,1	...	1,1	2,1	3,8	− 1,0	− 2,7
Guntur ...	85,0	87,6	80,7	− 2,6	+ 4,3	...	88	...	...	...	...	14,0	...	14,0	13,1	15,1	+ 9	− 1,1
Nellore ...	28,0	30,6	33,5	− 2,6	− 5,5	...	95	...	...	...	...	5,0	...	5,0	5,6	6,3	− 6	− 1,3
Total ...	131,3	150,2	145,4	− 18,9	− 14,1	...	90	...	...	...	...	22,2	...	22,2	23,5	27,2	− 1,3	− 5,0
Vizagapatam except Golgonda Taluk	7,0	7,7	10,2	− 7	− 3,2	...	90	...	...	...	...	...	8	8	9	1,3	− 1	− 5
Province Total ...	2,556,1	2,512,2	2,306,0	+ 43,9	+ 250,1	96	80	134,0	223,3	35,2	89,7	22,2	8	505,2	497,1	506,6	+ 8,1	− 1,4
						82		505,2										

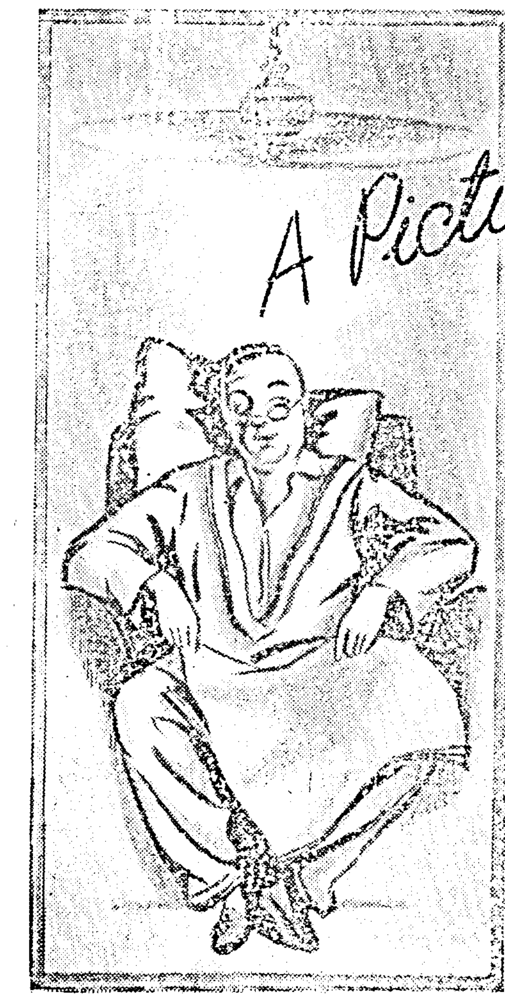
(a) Includes Uppam, Karunganni and mixed country cotton in Madura, Ramnad and Tinnevelly.
(b) Includes Karunganni in Coimbatore, Uppam, Nadam and Bourbon.
(c) Yield of irrigated Karunganni 89.
(d) Includes 289 hundred bales of Karunganni.

INDUSTRIAL PRODUCTION OF INDIA.

DESCRIPTION	MONTH OF NOVEMBER		MONTH OF DECEMBER		NINE MONTHS APRIL TO DECEMBER	
	1936	1937	1936	1937	1936	1937
Jute :—						
I. Twist and Yarn (tons) ...	4,379	4,709	4,816	5,095	39,373	39,554
II. Manufactures (Yds.) ...	159,983,598	174,330,326	172,084,326	176,822,704	1,383,346,762	1,472,163,220
Paper (cwts) ...	75,553	82,200	85,515	88,068	726,330	755,780
Iron & Steel :—						
I. Pig Iron (tons) ...	118,678	141,302	127,270	136,593	1,137,096	1,227,161
II. Iron Castings & Mfrs. „ ...	9,004	10,395	9,847	9,886	77,319	91,712
III. Steel Ingots „ ...	70,336	70,054	74,776	79,331	632,509	684,843
IV. Semis „ ...	9,620	59,963	4,356	67,465	56,302	562,639
V. Finished Steel „ ...	47,411	49,186	51,559	56,680	456,698	488,327
Petrol (gallons) ...	1,530,635	1,385,074	1,328,795	1,272,009	12,641,039	11,257,892
Kerosene Oil „ ...	3,132,533	3,187,200	3,222,572	3,215,894	26,815,738	27,212,629
Cement (tons) ...	87,749	97,995	86,135	...	648,134	758,369
Sugar :—						
Khandsari (cwts) ...	1,060	1,674	3,798	3,410	30,845	20,926
Palmyra Sugar „ ...	27,096	9,609	22,778	9,244	184,864	90,657
Other Sugar „ ...	581,907	311,740	3,223.242	2,733,758	7,296,846	8,920,299
Matches :—						
Coloured Matches (gross) ...	10,714	3,926	475	961	129,222	140,752
All other Matches „ ...	1,574,045	1,720,320	1,820,799	1,857,724	15,124,878	16,080,086
Paints (cwts) ...	44,255	39,305	41,699	41,792	...	337,775
Heavy Chemicals :—						
Hydrochloric Acid (cwts) ...	...	837	...	838	...	13,580
Nitric Acid „ ...	...	530	...	770	...	9,325
Sulphuric Acid „ ...	50,685	52,488	43,223	52,034	404,987	487,008
Allum „ ...	...	3,333	...	2,919	...	32,823
Aluminium Sulphate „ ...	...	7,792	...	4.742	...	88,395
Ammonium Sulphate (tons) ...	1,425	1,511	1,515	1,657	13,307	13,863
Ferrous Sulphate (cwts) ...	...	874	...	905	...	6,930
Magnesium Sulphate „ ...	...	5,483	...	4,066	...	44,906
Sodium Sulphate „ ...	...	2,269	...	1,940	...	15,999

DESCRIPTION	MONTH OF NOVEMBER			EIGHT MONTHS, APRIL TO NOVEMBER		
	1935	1936	1937	1935	1936	1937
Cotton Yarn :—						
India including States (lbs) ...	91,903,019	80,069,001	94,145,902	697.693,472	699,128,948	747,151,191
Madras „ ...	9,793,512	9,771,679	10,948,851	74,571,070	86,462,436	94,993.646
Cotton Goods :—						
India including States (yds) ...	310,857,667	270,379,007	321,722,823	2,360,285,235	2,328,509,471	2,652,952,239
Madras ...	6,219,919	6,394,738	6,240,637	53,229,945	51,025,818	58,232,274

DESCRIPTION	MONTH OF DECEMBER			NINE MONTHS, APRIL TO DECEMBER		
	1935	1936	1937	1935	1936	1937
Cotton Yarn :—						
India including States (lbs) ...	93,621,892	88,361,982	109,834,954	791,315,364	787,490,930	856,986,145
Madras „ ...	9,952,956	10,536,626	13,597,295	84,524,026	96,999,062	108,590.941
Cotton Goods :—						
India including States (yds) ...	333,917,908	323,032,556	377,275,282	2,694,203,143	2,651,542,027	3,030,227,521
Madras „ ...	6,103,582	6,781,836	7,873,571	59,333,527	57,807,654	66,105,845



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Labour Strikes in Madras.

Of late the atmosphere has been surcharged with a serious epidemic of strikes and lockouts and the issue has become an all-India one and not confined to any particular Province. So it is imperative on the part of the Government of India to pass legislation of all-India application. None, even the propagandist who clamours for increased amenities for labour, can deny the fact that strikes and lockouts had their own repercussions on the growth and development of the industries of a country and the prosperity of a country is measured mainly by her industrial progress and activities.

Coimbatore Mills:—

Coming to our own Province we have had enough of labour unrest. Labourers struck work in the Aluminium factory, Buckingham Mills, Madura Mills, several mills in Coimbatore, Choolai Mills and in the Tramway Company so as to necessitate the interference of the Government in all the cases. The Government appointed Mr. M. Venkataramayya, District Judge to inquire into the disputes in Coimbatore Mills. The major portion of the report of the Court of Inquiry is devoted to the provision of housing of labourers, of adequate medical relief to the workers and their families, of educational facilities, of grant of bonus and creation of a Provident Fund system under which the worker as well as the employer contribute equally and of definite rules in the matter of discipline, suspension and dismissal etc. An important recommendation is that wages should be increased immediately.

The Court of Inquiry state that 20 to 23 thousand men and women work daily in the mills situated in Coimbatore and within a radius of five miles from the municipal limits and it is manifestly impossible that all should be provided with housing accommodation in the town itself. So they recommend that the authorities of each mill will have to take up the question of housing their workers in their own hands and they are entitled to cooperation and active help both from the municipalities and Government, the former by granting land free of cost or at cheaper prices and the latter by helping the authorities with loans equal to half the cost of construction met by the millowners to be paid to the Government in easy instalments spread over ten or twenty years.

As regards medical relief in mills the Court of Inquiry are of opinion that the existing system is inadequate. So they recommend that such of the mills that could not afford to have their own doctors, two or three mills can join together and have their own doctor who will attend each mill at a fixed time and stay for some hours instead of part time doctors. The Court recommend "a systematisation of medical attendance."

On the question of employment of children and the misuse of medical certificates given to the adolescent by other small children the Court recommend that "a periodical and surprise inspection by responsible officers like the District Medical Officer may be a sufficient safeguard to see that the rule is not infringed".

There can be no two opinions on the question that the workers should be properly educated and their mental outlook should be widened and that every facility for education should be given to them. So the Court recommend that such of the mills as could not provide this concession should bring their influence to bear upon the Municipalities and District Boards to provide for this facility because the mills are entitled to their support as *quid pro quo* for enriching the coffers of the Municipalities and District Boards with their contribution by way of profession tax, property tax, license fees, etc.

With regard to the question of the reduction of hours of work from 9 to 8 hours the Court of Inquiry state that although it is highly desirable from the health point of view of the workers yet they are of opinion that the reduction of hours of work in Coimbatore itself will place the mills at a disadvantage while other mills are working 9 hours a day. The Court add: "I am strongly of opinion that reducing the hours from 9 to 8 is quite feasible if only the Government take a broad and liberal view instead of being parochial. I am against introducing the 8 hours rule in the Madras Presidency until at least Bombay Province adopts it."

Coming to the main issue regarding strikes the Court say that the legality or otherwise of the strike should be determined only by the exigencies of circumstances and no hard and fast rule can be laid down. Further they say that a clear 24 hours notice should be given by the workers to the Management whenever they want to go on strike and their grievance should be formulated and communicated to the Manager or responsible head of the Mill. During these 24 hours the management ought to be able to meet the responsible person or persons representing labour and redress the grievance, if it is a real grievance. This attempt at conciliation ought not to take more than a few hours and every effort should be made not to throw out of employment a body of the employees in any section.

With regard to the functions of Trade Unions and how they should play an important part in Labour disputes the Court state that the Trade Unions should be sufficiently well-organised to authoritatively reflect the view-points of labour and their words should be second to none on questions of labour problems. A representative of the Trade Union should be on the personnel of the Arbitration Board along with others appointed by Government. In order to make the decrees of the Board binding on the parties a provision should be introduced in the Trade Disputes Act not merely for making the decision binding on the parties but also for its enforcement. The Coimbatore Labour Union though it is in existence for 16 years has not been recognised by the mills on the presumption that it is influenced by outsiders.

It has been universally admitted that a decent living wage is a desideratum on which there can be no two opinions. The Committee are of opinion that the wages in Coimbatore are too low when compared with other places and the question of rent is an important factor to be taken into account in fixing the wages. Further they say that with the advent of new mills and consequent inflow of labour population in urban areas the cost of living in all departments has increased considerably and hence the paramount necessity of increasing the wages. The Court state "I recommend that the increase should be given from as early a date as possible. June 1, 1938 should not under the circumstances of the case be considered unduly early". A number of recommendations were made as to the lines on which the wages should be fixed for all classes of labourers, skilled and unskilled.

With regard to the conditions of service and grant of leave to employees etc. the Court state "the mill should grant casual leave for urgent and special reasons with full pay not exceeding six days in any one year, per individual worker." "In case of real illness it is just and reasonable to give the workers leave with pay ." The employees should have a clear idea about the conditions of service under which they are serving and have to serve. "I would suggest that each mill should have a set of rules regulating (i) suspension and dismissal of employees (ii) grant of leave (iii) annual holidays (iv) the duties of each class or category of employees (v) the general discipline and conduct of the workers (vi) the procedure by which the workers may lay their complaint before a responsible officer and also regulating the method of its disposal and (vii) if possible rates of pay and promotion.

Some of the recommendations of the Court require legislative sanction and some involve executive action. In the course of a Press Communique the Government state that they are inclined generally to endorse the conclusion of the Court and trust that both sides will in the words of the Court of Inquiry accept the recommendations of the Court in the spirit of cheerfulness and cooperation which is so essential if industrial peace is to prevail once again in Coimbatore.

Choolai Mills.—

The Government constituted a Conciliation Board consisting of Dewan Bahadur C. V. Visvanatha Sastri, Mr. K. Sriramulu Naidu and Mr J. Sivashanmugham Pillai under the Trade Disputes Act 1929 to investigate the points of disputes between the workers and the Management of the Madras United Spinning and Weaving Mills Ltd. The points at dispute related to the Pass System, the emolument and privileges given to the workers such as leave etc. compared with those of the permanent men, as to whether any change in their conditions of service was expedient and if so, on what terms and whether wages paid to the workers are adequate or any addition or reduction has to be made to the present scales. The Board examined a number of witnesses including the Management of the Company and made the following recommendations.

"That the reduction of hours of work from 60 to 54 has influenced output and consequently earnings, as stated in the Interim Report of the Bombay Textile Inquiry Report Vol. I Paragraph 30". With regard to the claim put forward by the Union that the wages paid in the other two mills in Madras do not compare favourably with the wages paid by the Choolai Mills the Board state: "We are therefore of opinion that the rates paid for piece work and to other daily wage-earners in the other two Mills in Madras cannot be taken as a criterion in determining the proper wages to be paid to the same class of workers in the Choolai Mills." The Board are of opinion that the weavers in the Choolai mills are paid a fair wage when compared to the weavers in the other mills.

As regards the claim that an increase in wages is to be justified in the light that the workers have to support a large number of dependents and are paying higher rents, the Board remark: "If they actually pay the rents they say they are paying, then the rents are rather high. In the case of those getting below Rs. 18/ a month the mill gives a bonus of 8 annas for 15 days regular attendance and Rs. 1/ for a month's regular attendance" As in the opinion of the Board the financial position of the Board is far from satisfactory the contention that the financial position of the mills is not so bad as not to justify an increase in wages is not tenable. "We are clearly of opinion that the mills have been acting with the greatest consideration for welfare of the workers............We therefore come to the conclusion that all that can be done at present is to place all the substitute workers (said at present to be 550 in number) so far as status goes in the same position as permanent workers and to give them the metalic (tin) pass given to permanent hands. This will cost nothing to the mills

andgive a sort of sentimental satisfaction to the substitute workers." The Board also made other recommendations with regard to leave, working days in the year etc.

The Madras Tramways Dispute :—

A dispute arose between the Madras Electric Tramways Ltd., and the Tramway and Electric Supply Workers' Association, Madras on the question of re-engagement of five ex-employees of the Madras Electric Tramways Ltd., who were actively associated with the Labour Union and with the strike of March 1937. The Company's case is that these five ex-employees were included among the eight men whom the Agent declined to re-engage after the strike because (1) their service record was unsatisfactory and (2) for many months immediately preceding the strike there were repeated compalints and reports against them from the Company's Inspectors of acts of insolence and insubordination and such conduct was undermining discipline among the emloyees generally. The case of the Union is that the services of these five employees were dispensed with on account of their having been prominent officials of the Union. The question was referred to for decision to the Hon'ble Mr. Justice V. Pandrang Row as arbitrator Arguments were heard from both the parties and an award was given. In making the award Mr. Justice Pandrang Row States: " I am satisfied by the evidence and the probabilities of the case that the five men in question were actually "victimized" for their association with the Union and the strike, in the sense that such association was the real reason for their not being re-engaged along with the fellow-strikers. I therefore decide and determine that the five persons mentioned in the issue were not re-engaged, not for unsatisfactory performance of their duties, which includes conduct, and that they were victimized for association with the Labour Union and the strike of March 1937; and I make my award accordingly". The Government commend the Award to the acceptance of the parties and hope that they will carry out the terms of Award, so as to avoid all further friction. The Management have accordingly written to the workers individually to return to work and offered that they would be treated " as if there was no break in their service."

THE INDO-CARNATIC BANK LTD.,

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Commerce

Madras Commerce Report for the Month of March 1938.

ISSUED BY THE DIRECTOR OF INDUSTRIES, MADRAS

Commodity Values in the month of March 1938 :—

In many countries the recession in economic activity proceeded further in March and commodity markets remained depressed by the paucity of consumer buying and by the steady increase in stocks in some cases. The deterioration on the international economic front is reflected in the "Economist" index of the prices of primary products (September 18th, 1931 = 100) which fell from 148.2 on January 2nd, to 140.8 on March 16th and it seems evident that there is at the moment a downswing of the trade cycle in progress. The international political developments of the month administered a further shock to confidence, the absence of which has been partly responsible for the decline of commodity prices. The intensification of world rearmament following upon the unsettled political conditions, is likely to create certain inflationary conditions and should result eventually in an expansion in the demand for certain commodities, but the further increase in Government spending in the various countries is probably rather a long-term factor for commodities than a short or medium-term influence, and it is perhaps a moot point whether the larger armament orders will be able to stem the downward movement of general business activity during the next few months completely, though it should, at any rate prevent the decline from becoming critical. Apart from the implications of the political situation, there is a considerable number of economic imponderables. As it has been so often said before, America is the principal consumer of various raw materials and commodities, and conditions in the United States are, therefore, bound to play a large part in determining values in other parts of the world. Business conditions in the United States have shown little or no sign of being likely to experience a major improvement before the autumn at the earliest, though it is possible that some recovery may be seen then, for, the economic background in that country is by no means so unfavourable as it was in 1929. Turning to the commodities in which Madras is interested, cotton showed a weakening tendency during March. There was a falling off in demand for cotton yarn from consuming centres. As March is the final month of the financial year for most merchants, there was not much buying of mill cloth and the condition of the local market ruled dull throughout the month though dealers anticipated some increase in purchasing in April. The tanned hides market was a little firmer and prices remained fairly steady. The tanned goat skins and tanned sheep skins markets were quiet and prices underwent a further decline. Demand for groundnuts was restricted and prices weakened. Prices of paddy and rice were steady. The pepper market opened strong, but gradually declined owing to lack of demand and closed weak. The ginger market also closed weak owing to a falling off in Indian and European demand. Prices of some varities of coir yarn showed an easier tendency owing to restricted European demand. Values of copra and coconut oil did not maintain the slight improvement shown in the previous month and weakened. In consonance with the improvement in the Cawnpore market, prices of sugar in Madras advanced and closed higher. The demand for locally manufactured acids and chemicals during the month was fair. There was a pronounced fall in rubber prices and it is difficult to take an optimistic view of the outlook for this commodity in the near future.

Groundnuts :—

The demand for groundnuts slackened and prices weakened owing to lack of enquiry from exporting firms, and towards the end of the month to moderate arrivals of new crop. The average wholesale prices of standard varieties at the main producing centres were as follows:

PER CANDY OF 531 lbs.

25th February 1938	Rs. 21-0-0 to Rs. 23-4-0
25th March 1938	Rs. 20-0-0 to Rs. 22-0-0

Paddy and Rice :—

The paddy and rice markets were steady throughout the month. The average wholesale prices of standard varieties at the main producing centres were as follows

INDIAN PADDY PER BAG OF 170 lbs.

25th February 1938	Rs. 4-0-0 to Rs. 4-11-0
25th March 1938	Rs. 4-1-0 to Rs. 4-12-0

INDIAN RICE PER BAG OF 170 lbs.

25th February 1938	Rs. 6-4-0 to Rs. 7-2-0
25th March 1938	Rs. 6-6-0 to Rs. 7-4-1

RANGOON RICE, RAW BROKEN A-1 PER BAG OF 220 lbs.

28th February 1938	Rs. 8-2-0	Madras.
31st March 1938	Rs. 7-14-0	

CALCUTTA RICE (NAGARA) BOILED PER BAG OF 164 lbs.

28th February 1938	Rs. 7-2-0	Madras.
31st March 1938	Rs. 7-0-0	

Coconut Products :—

As a result of fair European and Indian demand for Quilandy and Beypore soaked yarns, prices remained steady throughout the month. Prices of Calicut unsoaked yarns dropped slightly on account of less European demand. The market for Cochin yarns was easier owing to poor European demand and fair arrivals, though Calcutta continued to buy. Quotations for copra and coconut oil declined owing to large arrivals of copra and the declining tendency of foreign markets.

Cotton :—

Tinnevellies:—As in the two previous years, the southern half of the cotton growing area received heavy rains during the picking time which caused serious damage to the quality of the crop. About half of the first crop had been picked when the rains set in and this is of excellent quality as regards class and staple. The other half of the crop still in the fields, however, is reported to have suffered severely. The northern half of the Tinnevelly cotton area did not sustain any damage as practically all the kappas had been picked before the rains which, moreover, were not so heavy in this tract. New crop business opened at Rs. 185/- per candy of 784 lbs. ginned pressed cotton. Prices, however, fell steadily to Rs. 166/- at the end of the month. There was very little demand as local mills were not eager buyers owing to the strikes in progress. A restricted amount of interest was shown by Europe in the top grades, although this disappeared when it was known that normal high qualities would not be available. There was also a very small demand from Coimbatore mills.

Cambodia :—Arrivals of cotton from the Salem district were heavy towards the end of the month and they averaged about the same quality as in the previous year. Arrivals of Cambodia cotton in the Coimbatore district increased steadily and were of excellent quality. Prices for Salem average Cambodia fell steadily during the month from Rs. 200/- to Rs. 180/- per candy. Best Tirupur Cambodia opened the season around Rs. 250/-, but declined to Rs. 220/- by the end of the month. There was a keen demand from several Coimbatore mills early in the month for all grades, but subsequently the demand slackened. From outside the district there was no demand at all.

Sugar :—

On the removal of doubt in regard to a possible reduction in the Excise duty on the publication of the Central Budget and the announcements of unchanged prices by the Syndicate, the Cawnpore market rose by annas three per maund and the Madras market responded in sympathy. In anticipation of still higher prices and in view of the low stock position, dealers commenced purchasing in large quantities from second hand dealers who quoted lower than the Syndicate limits. Towards the close of the month arrivals were heavy and demand was slack, as a result of which some of the weak stock holders sold at slightly below market rates. The market closed steady but quiet with dealers awaiting the further Syndicate prices which were expected after the 4th of April. Madras prices of North Indian sugars ranged from Rs. 22-2-0 to Rs. 23-6-0 per bag of two cwts. in March as compared with Rs. 21-8-0 to Rs. 22-8-0 in February. Upcountry markets witnessed a sharp rise in prices due to low stock position and higher Cawnpore rates.

Tanned Hides and Skins :—

Tanned Hides :—There was a good demand in the market during the first part of the month and prices advanced. Subsequently, however, the demand eased off somewhat owing partly no doubt to the uncertainty in regard to the International situation. Prices however, remained steady on the following basis :—

Primes 5½ lbs. 14¼ d. ; Primes 8½ lbs. 12¾ d. ; Cocos 7½ lbs. 12¾ d.

Tanned Goat Skins:—Business was very restricted during March, the market in Madras declining slowly from the beginning of the Month. The Tanned Goat Skins Auction which took place during the latter part of the month in London, showed a heavy decline in all grades and more particularly in the lower grades. The amount of forward business was very small indeed, but stocks in the market were mostly cleared up, as several shippers forwarded their goods on consignment.

Tanned Sheep Skins:—The market was dull and only a very few orders were placed for forward lots. Most of the skins were sent to London on consignment and the further decline in prices at the London Public Auctions made business in Madras even more difficult.

Shipments during March were as follows :—

Goat	Sheep	Hides	Cow calf.	Buffs.	Buff calf.	
926	780	3301	218	218	157	Bales.

Annexure.

WHOLESALE PRICES OF COMMODITIES RULING IN THE MARKETS MENTIONED ON 25TH MARCH 1938

Commodity.	Market.	Quality or Variety	Unit.	Price.
Cotton	Tirupur	Cambodia	per cdy. of 520 lbs.	Rs. 155 to Rs. 160
do.	do.	Karunganui	do.	Rs. 150 to Rs. 160
Groundnuts	Nandyal	Machine shelled	do. 531 "	Rs. 20-6-0
Pepper	Tellicherry	Garbled	per cwt. F.O.B.	Rs. 18-8-0
Paddy	Tenali	Kusuma	per bag of 164 lbs.	Rs. 4-6-11
Rice	do.	do.	do.	Rs. 7-0-0
Coir yarn	Alleppey	Allapat	per cdy. of 672 lbs.	Rs. 60 to Rs. 80
Copra	Cochin	...	do. 655 "	Rs. 40-8-0
Coconut oil	do.	...	do.	Rs. 62-8-0
Jute	Vizianagram	Bimli	do. 506 "	Rs. 35-0-0
Tobacco	Erode	1st quality	per md. of 28 lbs.	Rs. 4-12-0

MARKET REPORTS

Madras—*1st May 1938.*

	Rs. A. P.
Cotton Yarn (5 lb. bundles)	
80's	
Madura Mills	6 9 0
60's	
Coimbatore Pioneers	5 1 0
Lakshmi	5 0 0
Pankaja	5 0 0
Manchester (T. Red Peacock)	10 0 0
Japanese (Pagoda 10 lbs)	10 3 0
40's	
Coimbatore Mills (10 lbs).	6 10 0
20's	
Coimbatore Mills (10 lbs).	4 8 0
Silk Yarn (per lb)—	
Japan White—	
20 × 22	5 12 0
13 × 15	5 15 0
Japan Yellow—	
20 × 22	5 11 0
Canton—	
20 × 22	4 12 0
28 × 32	4 12 0
Japan Thrown Silk—	
White 20 × 22	7 8 0
White 13 × 15	7 10 0
Cotton Piecegoods—	
Grey Mulls—	
"Mongoose Snake" 22 × 22 (B)	6 13 0
"Two Rats" 22 × 22 (B)	6 10 0
Bleached Grey Mulls—	
"Mongoose Snake" 22 × 22 (B)	7 6 0
"Two Rats" 22 × 22 (B)	6 4 0
White Mulls—	
1703	9 4 0
Glasgow 9000	9 5 0
1702	8 10 0
9041	8 4 0
LL 73	6 5 0
88/888	9 12 0
Metals (500 lbs.)—	
Yellow metal sheets "Dittman"	166 0 0
I.C.C.	165 0 0
Copper Sheets	220 0 0

	Rs. A. P
Cement—	
"Nilgiri" 1 cwt. bag	2 2 0
"Charminar"	2 2 0
"Hand" Brand per cask	9 2 0
" per bag of 94 lbs. ...	2 4 0 to 2 6 0
Sugar (per bag of 2 cwt).	
"Champaran"	23 2 9
Java	26 0 9
Hides and Skins—	
Tanned Hides—	
Bangalore 8 to 8½ lbs.	0 8 6 to 0 8 9
Up-countries "	0 8 3 to 0 8 6
Coasts 7 to 7½ lbs.	0 9 0 to 0 9 3
Tanned goat—	
Good	1 6 0 to 1 7 0
Fair	1 5 0 to 1 6 0
Common	1 4 0 to 1 5 0
Tanned Sheep—	
Good	1 8 0 to 1 9 0
Fair	1 6 0 to 1 7 0
Common	1 5 0 to 1 6 0
Oil Seeds—(Machined)—	
Groundnut (531 lbs.)	25 8 0
Castor seed (165 lbs.)	9 4 0
Produce—	
Rice Boiled Cocanada (160 lbs.)	6 4 0
" Calcutta Nagara (164 lbs.) ...	6 10 0
Raw Rangoon Broken A. 1. (220 lbs.)	7 8 0
Jaggery-1st quality (500 lbs. Baram) ...	27 0 0
Pepper Tellicherry Pure (25 lbs. maund) ...	4 0 0
Pepper Bydgi	6 2 0
Dry Ginger 500 lbs. candy Calicut ...	101 0 0
Chillies (Trichy) per candy of 500 lbs. ...	77 0 0
Potatoes (Ooty) Kitney Round Uru per candy of 500 lbs. ...	26 0 0
Do. Rasi Do.	23 0 0 to 24 0 0
Do. Podi Do.	21 0 0 to 22 0 0
Ghee per tin of 12 visses, Rasipuram ...	19 9 0
Butter-Tenali Special per tin of 12 visses ...	18 14 0
Do. Gudivada Special Do. ...	18 2 0
Soapnuts per candy of 500 lbs.	47 4 0
Tamarind (Bangalore) per candy of 500 lbs. ...	33 4 0
Coriander Seeds (Cuddapah) do. ...	45 8 0
Do. (Guntur) do. ...	35 0 0
Hand Pounded Rice Raw (Molakulukulu) per bag of 32 measures	8 12 0
Honey Dindugal per 1 lb.	0 6 0

Bangalore—Mysore Chamber of Commerce

Silk:—The market has not improved during the week and the rates have not changed.

	Rs. A. P.		Rs A. P.
Kempanaballi Silk per seer of 26½ tolas ...	3 0 0	to	3 2 0
Sidlaghatta do. do. ...	3 6 0	to	3 10 0
Closepet do. do. ...	2 7 0	to	2 9 0
Chickballapur do. do. ...	3 2 0	to	3 4 0
Kyalanur do. do. ...	2 14 0	to	3 0 0
Mudavadi do. do. ...	2 9 0	to	2 10 0
Channapatna do. do. ...	2 5 0	to	2 7 0
Kollegal do. per maund of 1000 tolas ...	80 0 0	to	110 0 0
Silk waste per maund of 28 lbs. ...	10 0 0	to	11 0 0
Tamarind per 210 lbs. of 8 mds. ...	10 0 0	to	15 0 0
Coffee-Nilgiri Peaberry per cwt. of 112 lbs. ...	60 0 0	to	62 0 0
Do. Plantation (P.B.) of 112 lbs. ...	46 0 0	to	50 0 0
Do. Native (P.B.) per cwt. of 112 lbs. ...	36 0 0	to	38 0 0
Do. Nilgiri Parchment per cwt. of 112 lbs. ...	42 0 0	to	44 0 0
Do. Plantation per cwt. of 112 lbs. ...	30 0 0	to	35 0 0
Do. Native Flat per cwt. of 112 lbs. ...	26 0 0	to	30 0 0
Arecanut per 25 lbs ...	7 8 0	to	9 0 0
Turmeric per 28 lbs ...	2 8 0	to	3 4 0
Pungam or Hongey Oil per 28 lbs. ...	...		2 12 0
Castor Seeds per palla of 100 seers ...	...		8 0 0
Groundnut Oil per maund of 960 tolas...	...		1 15 0
Castor Oil do. ...	...		2 12 0
Groundnut Oil Cake per ton ...	...		52 0 0
Castor Oil Cake per ton ..	..		35 0 0
Javari per palla of 100 seers ...	5 0 0	to	5 4 0
Ragi do. ...	4 0 0	to	4 4 0

Salem—Salem District Chamber of Commerce.

DESCRIPTION OF GOODS	From	To	Remarks.
	Rs.	Rs.	
Paddy (Samba) ...	4—4	4—9	Per bag of 55 Madras Measures.
Paddy (Kar) ...	4—1	4—4	do.
Rice (Raw) ...	10—0	11—4	do.
Rice (Boiled) ...	9—0	9—12	do.
Kambu ...	5—0	...	do.
Cholam ...	5—0	5—8	do.
Ragi ...	4—12	5—0	do.
Red Gram ...	8—8	9—0	do.
Red Gram Dhall ...	11—0	12—0	do.
Black Gram ...	9—0	10—0	do.
Black Gram Dhall ...	9—8	10—8	do.
Wheat (Kollis) ...	14—0	15—0	do.
Green Gram ...	10—0	...	do.
Horse Gram ...	4—12	5—0	do.
Beans (All Sorts) ...	7—8	7—12	do.
Mustards ...	12—0	...	do.
Coriander ...	7—0	...	do.
Jaggery ...	12—8	...	Per Pothi of 10 mds.
Coffee-Peaberry ...	11—0	...	Per maund of 1000 tolas.
Parchment ...	7—4	8—4	do.
Native Coffee ...	5—0	5—12	do.
Cambodia 1st crop ...	22—0	...	Kappas or unginned cotton per pothi of 305 lbs.
Cotton Seeds (Cambodia) ...	1—14	2—0	Per bag of 100 lbs.
Galnuts ...	7—0	...	Per Kandagam of 100 measures.
Castor Oil ...	4—12	5—0	Per tin of 38 lbs.
Gingelly Oil ...	7—0	8—0	do.

The Bombay, Millowners' Association.

PIECE-GOODS.

Grey, Unbleached :—

	Inches	Yards	Lbs.	Per lb.	Rs. A. P.
Longcloth (Standard Quality)	37	37½	9	,, ...	0 9 6
,, (Fine Quality).	44	38	7⅞	,, ...	0 15 3
Shirtings ...	35	38	9	,, ...	0 9 2
,, (Vegetable Quality).	37	37½	9	,, ...	0 8 8
Leopard Cloth ...	43	38	11½	,, ...	0 9 2
Dhoties (upto ½" nakhi Border) ...	32	9	1¾	,, ...	0 10 3
,, Calcutta, ⅝" P.B.	44	10	$1\frac{11}{16}$	,, ...	0 14 5
Drills ...	29½	40	13½	,, ...	0 7 10
Domestics ...	35	40	13¼	,, ...	0 8 1
,, ...	35	40	12	,, ...	0 7 10
Salita	40	66	25	,,	Not quoted
Chadars ...	50	6	2¼	,, ..	0 9 7

White Bleached:—

Longcloth ...	34	40	... Per Piece ...	10 12 0
Drill ...	27	42	... ,, ...	7 15 3

Yarn :—

4s (All Waste)	Per lb.	0 3 7
6½s ,, ...	,, ...	0 3 10
8½s	, ...	0 5 1
10½s	,, ...	0 5 6
12½s	,, ...	0 5 9
16s	,, ...	0 6 7
20s	,, ...	0 7 3
24s	, ...	0 7 10
32s	,, ...	0 9 4
40s	. ...	Not quoted
60s	,, ...	1 0 3
80s	. ...	1 6 1

Cocanada—Godavari Chamber of Commerce

		Rs. A. P.	Rs. A. P.
Sarva Paddy per bag of 166 lbs. nett Loose	...	4 1 0 to	4 1 6
Raw Rice per bag of 164 lbs. nett Loose No. 1 (Mill)	...	6 0 0	
Horse Gram with gunny Do.	...	5 8 0	
Green Gram Do.	...	7 6 0	
Black Gram Do.	...	6 12 0	
Red Gram Big Do.	...	7 0 0	
Do Small Do.	...	6 8 0	
Fenugreek Do.	...	13 0 0	
Mustard Do.	...	11 12 0	
Coriander Seed Do.	...	13 4 0	
Castor Poonac Do.	...	3 4 0	
Castorseed country with gunny Do.	...	9 0 0 to	9 8 0
Gingellyseed Black with gunny Do.	...	12 0 0	
Cotton seed per bag of 150 lbs. nett Do.	...	3 15 0	
Cane Jaggery Per Candy of 500 lbs nett Do.	...	26 4 0	
Chillies country Do.	...	75 0 0	
Turmeric Do. Do.	...	47 8 0	
Castor Oil (Factory) Do.	...	61 8 0	
Ground nut oil Do	...	44 8 0	
Ghee No. 1 Do.	...	220 0 0	
Ghee No. 2 Do	...	200 0 0	

TRADE OF MADRAS PORTS

(To nearest lakh of Rupees)

MADRAS PORT.

Imports. COMMODITIES.	April to Dec. 1937	Jan. 1938	Exports. COMMODITIES.	April to Dec. 1937	Jan. 1938
Grain, Pulse & Flour ...	66.6	7.3	Oil Seeds ...	163.9	7.8
Machinery & Mill Work ...	107.7	24.3	Tea ...	.5	.01
Metals ...	86.5	9.5	Raw Cotton ...	108.0	2.1
Cotton Yarn ...	43.1	4.6	Cotton Yarn ...	5.0	.7
Other Cotton Manufactures.	87.6	7.2	Other Cotton Manufactures.	186.5	21.4
Oils chiefly Mineral ...	140.6	5.2	Fruits & Vegetables ..	18.4	4.5
Hardware ...	34.8	4.4	Coffee ...	1.1	.2
Provisions ...	31.1	4.0	Tobacco ...	71.5	4.0
Paper and Paste.	43.7	5.2			
Chemicals ...	31.5	3.4			
Artificial Silk Yarn & Manufacture ...	32.0	2.3			
Manures ...	17.2	6.6			
Tobacco ...	15.4	1.9			
Silk Manufacture.	22.9	.8			
Soap	2.5	.2			

VIZAGAPATAM.

Mineral Oils ...	.2	.02	Oil Cakes ...	17.9	2.4
Paper ...	1.0	.05	Groundnuts ...	33.4	12.7
Chemicals ...	4.7	...	Manganese Ore.	54.3	8.1

COCANADA.

Imports. COMMODITIES.	April to Dec. 1937	Jan. 1938	Exports. COMMODITIES.	April to Dec. 1937	Jan. 1938
Mineral Oils ...	150.4	7.6	Groundnut ...	35.9	6.2
Metals ...	.7	.1	Castor Seed ...	18.5	.4

NEGAPATAM.

Sugar ...	1.4	.5	Rice ...	9.2	1.4
Betelnuts ...	5.8	.7	Groundnut ...	37.2	2.8

TUTICORIN.

Cotton Twist & Yarn ...	9.3	2.1	Oil Cakes ...	7.9	.8
Metals ...	4.5	.3	Tea ...	60.2	4.6
Paper ...	2.3	.8	Cotton ...	53.1	.3
Cement ...	1.1	.09			
Iron and Steel ...	8.3	.2			

COCHIN.

Paper ...	4.6	.9	Tea ...	210.4	12.0
Mineral Oils ...	95.4	8.2	Rubber ...	198.0	6.0
Sugar ...	2.3	.02	Coir Yarn & Products ...	65.3	4.4

CALICUT.

C. P. Goods ...	1.1	.5	Tea ...	67.9	9.6
Paper ...	1.4	.2	Raw Cotton ...	31.4	.5
Manures ...	3.2	.2	Pepper ...	1.2	.2

FOREIGN AND COASTING TRADE

MADRAS PROVINCE

Merchandise Imports from and Exports to Foreign Countries.

	Imports 1936 Rs.	Imports 1937 Rs.	Imports 1938 Rs.	Exports 1936 Rs.	Exports 1937 Rs.	Exports 1938 Rs.	
January ...	137,38,866	143,11,157	222,01,632	257,01,991	315,48,992	286,80,051	... January
February ...	120,83,470	110,87,550	220,34,055	248,39,917	372,91,609	310,51,101	... February
March ...	135,00,819	143,76,715	296,46,619	302,33,604	480,04,037	438,55,666	... March
April ...	113,44,676	235,27,846	...	269,15,992	351,61,208	...	... April
May ...	125,94,566	255,10,528	...	288,20,920	336,50,600	...	... May
June ...	139,74,674	235,19,653	...	284,96,509	348,16,106	...	... June
July ...	147,65,640	282,82,961	...	264,28,296	373,45 513	...	... July
August ...	118,61,537	229,18,142	...	315.64,479	289,72,685	...	... August
September ...	113,05,835	312,77,968	...	28209,17,6	310,33,428	...	... September
October ...	143,21,283	191,48,802	...	240,54,306	276,34,179	...	... October
November ...	112,01,240	224,76,438	...	246,07,848	256,54,502	...	... November
December ...	115,12,005	181,99,513	...	265,38.618	253.45.214	...	... December

External Coasting Import and Export Trade (Indian and Foreign Merchandise) of Madras Province

(Burma included in January—March and November—December)

	Imports 1935 Rs.	Imports 1936 Rs.	Imports 1937 Rs.	Exports 1935 Rs.	Exports 1936 Rs.	Exports 1937 Rs.	
January ...	176,36,060	115,21,163	179,53,613	90,44,227	85,73,253	100,90,144	... January
February ...	201,48,617	225,51,418	135,97,802	90,94,201	78,11,873	74,16,668	... February
March ...	184,88,593	210,60,466	226,42,283	87,54,041	80.61,703	96,87,603	... March
April ...	61,71 585	83,67,195	80,61,102	67,32,250	47,82,179	91,15,166	... April
May ...	76,43,143	77,07,302	72,71,028	82,27,877	60,64,205	8,22,969	... May
June ...	76,66,494	108,73,119	132,69,348	102,64,508	44,01,881	59,98,376	... June
July ...	76,92 346	66,91,570	104,41,462	44,81,014	50,65,684	46,18,492	... July
August ...	55,11,222	99,86,164	93,15,567	54,95,524	55,94,760	70,46,372	... August
September ...	66,51,497	51,14,515	72,58,936	38,54,661	44,32,044	47,07,120	... September
October ...	66,78,771	64,56,004	61,40,536	49,37,204	59,89,842	63,82,223	... October
November ...	178,24,204	122,49,765	81,29,636*	67,63,244	65,32,097	55,43,058*	... November
December ...	116.60,502	118.82,480	79,75,652*	58,48,223	59,58,213	56,87,737*	... December

* Burma figures not included.

Transport

The following are the abbreviated list of rates for Foreign Telegrams "*via* IRC" with effect from 25th April 1938.

RATE PER WORD.

	Ordinary Telegrams. Full Rate. Rs. A.	Ordinary Telegrams. CDE Rate ‡ Rs. A.	Deferred Telegrams. LC Rate. Rs. A.	Daily Letter Telegrams. Minimum for 25 words. Rs. A.	Daily Letter Telegrams. Each extra word. Rs. A.
EMPIRE COUNTRIES.					
EUROPE:—Great Britain, Ireland, Malta, Gibraltar.					
AFRICA:—Zanzibar, Kenya, Uganda, Tanganyika, S. & S. W. Africa, Mauritius, Seychelles, Nigeria, Nyasaland, Br. Somaliland, etc.					
ASIA:—Aden Palestine, Cyprus, Straits Settlements, Malay Peninsula, Br. North Borneo, Hongkong, etc.	0 13	0 8½	0 6½	7 0½	0 4½
AUSTRALIA:—Tasmania, New Zealand, etc.					
AMERICA:—Canada, Newfoundland, Bahamas, Bermuda, Br. Honduras, Br. West Indies, Br. Guiana, etc. (For American EMPIRE countries these rates apply only "VIA IRC-IMPERIAL.")					
OTHER COUNTRIES:—					
EUROPE:—					
Belgium, Holland Luxembourg ...	1 2	0 11	0 9	9 6	0 6
France, Sweden, Denmark ...	1 3	0 11½	0 9½	10 2½	0 6½
Germany, Italy, Norway, Switzerland, Spain* (*Dlts unallowed)...	1 4	0 12	0 10	10 15	0 7
Greece, Hungary, Poland, Portugal, Russia, Czechoslovakia, ...	1 5	0 13	0 10½	10 15	0 7
Roumania, Bulgaria, ...	1 5	0 13	0 10½	...	...
Turkey, ...	1 5	0 13	...	...	...
UNITED STATES OF AMERICA:—					
1st Zone: New York City, Boston, etc. ...	1 11	1 0½	0 13½	14 1	0 9
2nd Zone: Baltimore, Philadelphia, Washington, etc. ...	1 13	1 1½	0 14½	15 10	0 10
3rd Zone: Chicago, Detroit, St. Louis, etc. ...	2 0	1 3½	1 0	17 3	0 11
4th Zone: Arkansas Denver, Houston, etc. ...	2 1	1 4	1 0½	17 3	0 11
5th Zone: Sanfrancisco, Losangeles, Seattle, etc. ...	2 3	1 5	1 1½	18 12	0 12
WEST INDIES:—Havana ...	2 5	1 6½	1 2½	19 8½	0 12½
SOUTH AMERICA:—Pernambuco Town ...	2 7	1 7½	1 3½	20 5	0 13
Rio de Janeiro, Sao Paulo, Santos... ...	3 2	1 14	1 9	26 9	1 1
Buenos Aires, Valparaiso, Santiago-de-Chile ...	3 4	1 15½	1 10	27 5½	1 1½
Lima ...	3 10	2 3	1 13	30 7½	1 3½
AFRICA:—Lourenco Marques Town and Dist. and Inhambane Town.	2 1	1 4	1 0½	17 3	0 11
Beira Town, Mozambique Town, and Quelimane ...	2 7	1 7½	1 3½	20 5	0 13
EGYPT:—Alexandria, Cairo, Portsudan, Portsaid, Suez ...	1 12	1 1	0 14	14 13½	0 9½
JAPAN ...	2 3	1 5	1 1½	18 12	0 12
CHINA:—Shanghai ...	1 14	1 2	0 15	15 10	0 10
JAVA & SUMATRA ...	1 13	1 1½	0 14½	15 10	0 10

The minimum charge for Daily letter telegrams is for 25 words.

* DLTS are delivered on the morning of the second day on which the telegram was accepted by a telegraph office for transmission.

THE RATE FOR URGENT TELEGRAMS IS TWICE THE ORDINARY RATE.

‡ THE RATE FOR CDE TELEGRAMS IS SUBJECT TO A MINIMUM CHARGE FOR 5 WORDS.

THE RATE FOR URGENT CDE TELEGRAMS IS TWICE THE CDE RATE.

Mark your telegrams with the free routing indication:—

"*via* **IRC IMPERIAL**" for {CANADA, NEWFOUNDLAND & WEST INDIES. U. S. A. CENTRAL & SOUTH AMERICA.

S. I. R.

Facilities to Passengers.

A train halt at Tiruvachira between Ferok and Kallayi stations on the Podanur—Calicut section was opened for public traffic on 15—4—1938.

For the convenience of passengers starting from Dhanushkodi, No. 2 Indo-Ceylon Express which now starts from Dhanushkodi Pier will from 1st May, 1938 be taken from the Pier to the Dhanushkodi station and started from there at 10-50 hours.

Indo-Ceylon Round Tours.

Those desirous of spending a brief holiday in Colombo will be pleased to hear of the decision to issue Round Tour tickets for Indo-Ceylon tours at an inclusive cost of Rs. 80/- (first class) from early May for the sea-cum-rail journeys. Tickets will be issued by Messrs. Harrison & Crosfield Ltd., Cochin and Messrs. Carson & Co., Ltd., Colombo, at Colombo Fort and Maradana Stations on the Ceylon Government Railway and at Shoranur, Podanur, Erode, Trichinopoly, Madura and Pollachi junctions by the South Indian Railway.

Tourists can choose either of the following routes:—

(*a*) Colombo by Bibby Liner to Cochin-Podanur-Dindigul-Madura-Dhanushkodi - Talaimannar Pier-Colombo or vice versa.

(*b*) Colombo by Bibby Liner to Cochin-Podanur-Erode-Trichinopoly-Manamadurai - Dhanushkodi-Talaimannar Pier-Colombo or vice versa.

"Go-as-you-please" during the Summer Holidays.

During the summer of 1937 special Go-as-you-please tickets were issued to Educationists and students only.

In response to public demand this year the Go-as-you-please tickets will again be issued to the public generally from the 15th May 1938 for 15 days travel up to 30th June. A third class ticket will cost Rs 15, only whilst a supplementary ticket can be had for travel on the Jalarpet-Madras Central section for Rs. 3, extra.

Combined-Travel-As-You-Please Tickets over S. I. and M. S. M. Railways available for 20 days from date of purchase will also be issued.

In all cases the tickets will be available for the specified period only, whilst all tickets will expire by **30th June.**

RAIL-BORNE TRADE OF MADRAS PROVINCE

CEMENT. (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
January ..	3703.7	3100.5	5207.0	823.8	1976.2	1790.9
February ..	3034.6	3101.5	3552.7	760.8	1544.4	1300.9
March ...	3558.3	3687.9	5935.0	659.5	1636.9	1065.9
April ...	3018.4	3081.0	4577.6	820.2	1422.9	917.6
May ..	4134.6	5573.5	4629.3	710.[illegible]	823.[illegible]	809.7
June ...	3530.6	4230.0	4484.1	364.9	419.3	1825.5
July ..	3122.9	3232.9	3314.9	936.4	170.6	1855.8
August ...	3104.4	3429.7	3525.1	1272.2	1658.9	1836.4
September ..	3084.3	3791.6	3054.5	1175.9	1433.7	1938.0
October ...	2799.7	3703.7	...	1279.7	1388.2	...
November ...	2232.0	1932.5	...	1454.9	1511.3	...
December ...	3141.1	3950.6	...	1179.2	1646.6	...

COFFEE.

	1935	1936	1937	1935	1936	1937
January ...	27.7	26.9	79.6	46.6	52.1	65.8
February ...	19.4	51.8	113.0	37.4	49.8	70.2
March ...	16.2	41.5	138.8	50.5	47.9	24.8
April ...	15.5	119.7	160.2	28.6	40.5	157.4
May ...	11.8	53.5	74.5	23.8	55.7	34.6
June ...	17.7	66.1	101.6	23.5	46.3	33.4
July ...	8.8	76.9	82.1	37.9	41.6	30.6
August ...	23.8	36.3	72.2	30.3	55.5	25.8
September ...	23.6	31.3	88.7	24.4	47.3	33.4
October ...	33.8	47.0	...	39.1	39.1	...
November ...	41.0	35.6	...	28.4	36.1	...
December ...	31.2	60.1	...	33.0	59.5	...

RAW COTTON.

	1935	1936	1937	1935	1936	1937
January ...	449.4	571.4	468.9	267.2	902.8	988.6
February ...	398.7	416.7	742.9	520.9	875.9	759.7
March ...	365.3	461.7	1326.9	1076.8	1457.2	1360.3
April ...	661.4	946.9	...	1089.6	1007.9	...
May ...	764.3	1931.1	...	2760.8	2164.1	...
June ...	231.5	2262.6	...	1520.1	1800.5	...
July ...	184.3	2233.1	...	2240.3	1287.2	...
August ...	229.2	601.1	...	1107.1	567.0	...
September ...	114.5	291.5	...	543.3	432.1	...
October ...	226.5	240.5	...	517.9	464.9	...
November ...	193.3	209.4	...	862.5	428.6	...
December ...	373.6	361.4	...	1042.9	499.7	...

COTTON YARN.

	1935	1936	1937	1935	1936	1937
January ...	1034.4	806.6	657.4	619.1	900.6	943.2
February ...	714.3	873.6	659.0	379.4	487.7	922.1
March ...	661.9	861.6	625.2	494.1	1004.3	1023.8
April ...	1106.5	846.1	742.2	534.3	680.3	755.5
May ...	1134.4	824.5	659.4	554.6	659.9	653.7
June ...	999.8	934.2	583.8	434.9	803.7	850.2
July ...	1241.4	967.5	603.9	621.9	1004.2	1268.0
August ...	1109.2	795.1	851.4	592.6	860.8	1248.3
September ...	990.4	777.2	828.7	491.9	955.1	1203.5
October ...	1135.7	821.4	...	741.9	776.3	...
November ...	776.7	646.4	...	583.5	784.5	...
December ...	879.8	783.6	...	904.1	1331.4	...

COTTON PIECE-GOODS. (IN TONS)

	Import			Export		
	1935	1936	1937	1935	1936	1937
January ...	995.6	1118.9	1480.5	617.7	614.5	634.5
February ...	894.7	880.1	1371.8	659.8	566.6	576.8
March ...	792.2	700.1	1239.8	607.8	643.2	922.9
April ...	1058.3	984.9	1418.4	698.5	606.6	670.2
May ...	1200.2	1045.7	1495.6	635.7	558.4	648.8
June ...	1011.2	1127.9	1298.7	473.0	507.6	581.2
July ...	1185.6	1045.5	1577.5	460.2	531.1	535.4
August ...	1067.2	1060.4	1536.6	520.0	471.8	605.8
September ...	1240.1	1121.7	1794.2	557.2	517.1	651.5
October ...	1006.9	1282.2	...	658.3	637.8	...
November ...	1394.3	1497.2	...	689.7	707.3	...
December ...	1771.5	2025.4	...	591.2	645.8	...

PADDY.

	1935	1936	1937	1935	1936	1937
January ...	572.9	3010.0	1931.2	228.8	226.6	280.0
February ...	4502.9	3586.1	5730.7	555.0	176.7	97.9
March ...	4089.6	4912.5	6154.3	221.7	124.8	97.2
April ...	2281.7	5578.1	4911.5	154.6	151.7	110.5
May ...	4155.7	4442.4	4924.7	107.1	255.1	127.8
June ...	3511.2	2915.5	2988.1	96.1	149.9	70.5
July ...	3501.8	1866.2	1742.1	109.4	121.2	63.1
August ...	3302.9	1953.7	2010.3	486.6	81.1	43.1
September ...	4134.3	1906.4	3297.4	114.6	116.0	42.9
October ...	6672.3	2334.7	...	84.8	76.3	...
November ...	7239.8	2053.9	...	157.4	129.7	...
December ...	2380.1	706.5	...	175.9	244.0	...

RICE.

	1935	1936	1937	1935	1936	1937
January ...	4762.9	4001.3	5267.2	14900.4	13600.3	13881.2
February ...	3561.5	5250.6	6412.0	14504.9	12417.0	13311.3
March ...	3766.7	4602.7	5852.2	8770.3	13238.8	14486.2
April ...	5731.4	4150.9	6820.8	13570.4	10047.9	11567.6
May ...	3586.1	3525.1	3545.3	11031.3	11044.7	7248.1
June ...	3178.1	3380.5	4366.0	9783.9	10933.5	10091.7
July ...	3506.4	3457.2	5668.0	12377.3	11200.2	9160.5
August ...	3141.2	2985.6	5797.4	9273.9	10099.1	9043.4
September ...	4704.7	8177.3	7243.9	10030.6	9334.4	11927.7
October ...	6672.1	4833.9	...	9880.6	6911.6	...
November ...	4586.3	7335.5	...	8637.8	9836.5	...
December ...	3380.1	5111.1	...	10811.4	3427.7	...

RAW HIDES.

	1935	1936	1937	1935	1936	1937
January ...	729.9	1150.6	1840.8	67.8	117.9	106.5
February ...	1048.9	930.1	1675.6	57.2	90.7	60.8
March ...	988.3	1179.5	1843.9	110.5	128.6	63.6
April ...	720.3	1140.9	1012.3	73.1	80.5	95.6
May ...	413.0	751.8	2823.2	64.6	91.6	56.6
June ...	364.9	1180.5	779.2	90.7	135.9	52.4
July ...	380.5	1391.2	1502.4	89.0	105.8	56.7
August ...	445.2	1540.6	1546.8	108.8	112.2	76.8
September ...	571.9	1419.7	1050.3	115.1	77.8	90.9
October ...	714.5	1503.7	...	155.6	69.4	...
November ...	515.7	1455.8	...	81.6	81.4	...
December ...	712.8	2627.7	...	78.5	112.4	...

RAW SKINS.

	1935	1936	1937	1935	1936	1937
January ...	725.8	783.7	893.6	61.9	86.8	66.9
February ...	709.2	754.6	781.1	51.0	72.8	57.9
March ...	441.3	1020.8	931.5	51.6	94.9	89.2
April ...	814.7	899.3	989.9	67.9	60.1	82.3
May ...	683.5	904.5	834.7	337.4	36.9	65.6
June ...	683.1	964.1	826.1	44.1	46.8	45.4

RAW SKINS—(Contd.) (IN TONS)

	Import			Export		
	1935	1936	1937	1935	1936	1937
July ...	805.8	934.3	1024.2	115.5	82.3	58.8
August ...	871.2	810.3	980.1	326.5	61.4	43.6
September ...	693.8	786.5	918.8	92.5	49.0	35.4
October ...	746.6	918.6	...	79.7	48.7	...
November ...	855.5	926.2	...	78.9	57.6	...
December ...	648.6	712.1	...	78.4	84.9	...

LEATHER.

	1935	1936	1937	1935	1936	1937
January ...	333.5	246.9	256.2	106.4	41.9	79.8
February ...	209.5	176.7	199.4	94.3	36.4	53.7
March ...	315.3	215.3	236.0	122.4	40.5	62.6
April ...	346.1	197.3	243.3	89.1	18.1	45.5
May ...	351.0	209.9	262.6	83.2	57.1	58.3
June ...	307.4	191.6	196.4	43.5	50.3	60.3
July ...	318.8	196.9	312.8	92.4	54.2	68.0
August ...	324.7	172.6	214.9	35.3	60.0	90.3
September ...	408.1	207.8	199.7	25.1	57.6	80.9
October ...	422.2	182.0	...	27.7	95.8	...
November ...	477.4	207.9	...	19.8	82.9	...
December ...	345.5	235.0	...	44.1	65.3	...

IRON AND STEEL GOODS.

	1935	1936	1937	1935	1936	1937
January ...	7103.4	6383.8	7101.2	2456.0	2416.7	2497.6
February ...	6064.8	6713.4	6720.7	1807.3	1806.9	3092.7
March ...	5306.7	9061.1	8839.8	1840.1	2265.5	2380.2
April ...	4662.7	6372.9	7795.2	1665.6	2180.6	2386.0
May ...	5615.1	8491.3	6640.9	1727.9	1792.7	2329.6
June ...	5595.1	7385.5	7594.8	1642.8	1674.2	1712.0
July ...	6427.1	7331.7	8138.7	1970.7	2534.5	2348.9
August ...	8357.3	8537.5	4983.2	1400.9	1820.9	1807.9
September ...	8115.7	6014.4	5065.9	1548.3	1443.9	1752.0
October ...	8613.5	6856.3	...	2261.9	1760.4	...
November ...	8107.5	6703.9	...	1535.3	1622.0	...
December ...	8724.5	7536.4	...	1258.7	1673.6	...

OIL CAKES.

	1935	1936	1937	1935	1936	1937
January ...	1914.9	2457.8	2069.4	319.9	133.1	231.0
February ...	952.1	1485.1	2402.6	178.8	184.2	118.0
March ...	155.9	3493.9	1242.8	136.6	166.9	95.0
April ...	2170.5	1861.5	1963.9	114.2	179.4	93.2
May ...	2510.1	1929.4	1970.9	273.9	182.1	123.3
June ...	2037.8	2520.4	1530.7	122.9	143.1	61.5
July ...	1893.7	1632.0	2236.1	153.4	130.4	193.6
August ...	2083.6	1641.3	2427.8	150.2	88.6	58.9
September ...	2505.5	2015.6	1459.0	100.3	108.3	37.7
October ...	2600.1	1878.9	...	86.3	63.4	...
November ...	1092.9	1769.4	...	98.5	70.9	...
December ...	2416.6	2614.8	...	263.0	128.1	...

VEGETABLE OILS.

	1935	1936	1937	1935	1936	1937
January ...	543.2	1012.4	851.6	2137.8	807.9	1117.8
February ...	695.6	798.9	846.3	987.7	913.6	1405.4
March ...	576.5	823.2	791.6	72.1	980.1	873.3
April ...	650.5	726.3	1010.3	551.3	763.9	1674.8
May ...	752.3	586.9	635.3	870.5	1142.4	1518.2
June ...	625.2	554.9	635.3	725.2	899.9	1311.4
July ...	934.4	631.2	378.3	688.1	796.9	1265.4
August ...	1003.6	681.4	411.8	724.3	726.4	1318.4
September ...	952.1	517.2	408.5	401.8	743.9	1127.2
October ...	1155.3	528.9	...	465.3	815.6	...
November ...	909.2	807.1	...	678.1	753.0	...
December ...	775.1	928.8	...	816.1	1017.7	...

CASTOR SEED. (IN TONS)

	Import			Export		
	1935	1936	1937	1935	1936	1937
January ...	1729.7	570.7	1958.5	81.2	4.4	45.6
February ...	2430.7	1204.7	2465.3	52.9	57.8	85.2
March ...	1601.3	1621 2	5023.3	29.9	29.3	151.1
April ...	2714.4	3015.5	4054.6	366.8	9.3	100.1
May ...	2033.5	1277.0	2142.9	225.3	.3	59.4
June ...	1738.0	1384.2	741.9	18.4	22.8	16.1
July ...	1226.0	2180.4	1099.3	18.3	21.7	...
August ...	3683.9	1970.2	771.2	33.3	18.5	...
September ...	733.9	462.6	2141.7	3.9	35.5	153.9
October ...	2612.3	406.4	...	22.9	52.8	...
November ...	1004.0	1572.3	...	1.7	35.8	...
December ...	493.1	1392.8	...	3.5	25.2	...

COTTON SEED.

	1935	1936	1937	1935	1936	1937
January ...	907.7	1029.7	1304.3	42.9	61.9	36.8
February ...	920.1	920.8	744.5	14.7	21.6	24.2
March ...	2025.5	1621.1	1498.8	8.5	42.3	4.2
April ...	2229.3	2237.4	2711.4	62.9	6.9	12.0
May ...	1050.6	1567.2	2596.4	22.5	3.3	6.6
June ...	1335.8	1568.8	1807.4	17.9	3.1	3.3
July ...	1278.9	1726.4	1878.8	31.4	2.5	5.5
August ...	1523.4	1377.8	2158.0	50.1	45.0	6.1
September ...	1345.3	1290.5	1495 6	4.6	5.5	1.4
October ...	723.1	1343.6	...	11.8	6.2	...
November ...	720.8	807.5	...	74.5	2.6	...
December ...	970.4	1288.3	...	43.1	14.6	...

GROUNDNUT.

	1935	1936	1937	1935	1936	1937
January ...	1341.4	2052.4	11012.9	5585.5	4370.9	15062 8
February ...	1190.9	637.6	1406.3	2215.1	2562.8	3514.8
March ...	308.1	520.7	1231.0	1841.7	1368.4	2009.7
April ...	605.1	1293.2	806.2	1151.4	1983 0	1609.2
May ...	773.9	666.9	181.9	3076.5	950.6	507.7
June ...	652.2	608.8	355.0	2767.5	1728.8	726.1
July ...	247.4	721.4	39.5	1133.1	3393.7	1878.8
August ...	365.6	535.1	578.7	2121.9	3515.6	1242.8
Sepetmber ...	766.5	140.7	52.2	1622.4	895.4	874.3
October ...	888.9	2701.7	...	1840.8	1997.0	...
November ...	3460.2	9162.1	...	1964.7	3230.9	...
December ...	3298.6	2407.0	...	3066.5	7639.8	...

RAPE AND MUSTARD.

	1935	1936	1937	1935	1936	1937
January ...	77.6	170.0	398.4	19.8	3.4	6.6
February ...	132.0	510.8	497.4	80.3	84.5	10.6
March ...	249.9	300.1	279.1	50.1	271.3	142.7
April ...	478.9	467.9	158.9	23.5	8.7	196.4
May ...	111.7	218.3	292.9	199.4	.3	203.5
June ...	89.5	41.8	40.2	161.9	40.9	240.3
July ...	51.9	131.9	8.6	164.9	45.7	178.1
August ...	12.6	59.9	68.5	29.7	4.8	75.8
September ...	38.1	64.8	58.5	19.2	8.5	51.9
October ...	74.6	168.2	...	60.3	13.3	...
November ...	134.0	47.5	...	7.6	5.5	...
December ...	77.9	94.6	...	22.8	10.7	...

GINGELLY SEED.

	1935	1936	1937	1935	1936	1937
January ...	1208.1	3662.2	2613.5	8.0	4.3	3.7
February ...	658.1	2956.2	3636.5	8.3	1.8	8.9
March ...	912.1	1181.7	946.5	11.9	2.1	38.8
April ...	811.0	296.1	377.1	11.6	4.9	35.8
May ...	565.3	484.5	961.2	9.7	16.9	72.6
June ...	958.3	552.8	369.6	13.1	1.0	6.4

GINGELLY SEED—(Contd.) (IN TONS)

	Import			Export		
	1935	1936	1937	1935	1936	1937
July ...	1378.7	250.1	225.3	11.8	3.9	14.5
August ...	935.5	718.7	741.8	7.1	.8	2.2
September ...	2154.8	1426.4	2040.6	1.1	14.9	22.8
October ...	2348.5	7306.1	...	6.7	19.4	...
November ...	2073.4	1331.2	...	3.6	2.4	...
December ...	2942.3	2839.8	...	28.9	1.2	...

SALT.

	1935	1936	1937	1935	1936	1937
January ...	1735.9	1383.1	1325.0	9968.8	4749.8	5376.8
February ...	1581.6	646.5	1170.9	4274.1	3989 0	4641.1
March ...	1555.8	2883.1	2029.2	3711.9	5308.3	3270.0
April ...	2230.6	3304.2	3058.9	4518.3	8820.3	5137.8
May ...	4351.9	3846.9	3567.3	7473.6	5880.8	4967.4
June ...	532.6	88.8	316.1	5300.4	4644.0	4477.4
July ...	29.4	118.4	7.5	3713.4	3964.5	2843.6
August ...	58.8	15.0	.7	3160.9	3380.0	2416.5
September ...	50.0	29.6	1.4	3319.5	4942.1	2653.9
October ...	239.7	194.5	...	4387.4	5013.3	...
November ...	341.5	410.1	...	5855.5	5440.4	...
December ...	810.8	881.9	...	4415.4	6058.2	...

SUGAR—REFINED.

	1935	1936	1937	1935	1936	1937
January ...	2519.6	3120.8	11465.2	770.8	302.3	599.3
February ...	2068.7	3621.8	10814.7	838.9	702.4	250.0
March ...	2564.5	4629.3	7798.2	595.3	869 9	546.9
April ...	2751.7	2789.6	7011.3	770.3	797.7	749.7
May ...	1772.8	2526 5	6349.9	452.5	841.5	722.6
June ...	2512.5	1709.8	3379.2	524.1	466.8	787.4
July ...	1174 1	1996.2	3965.6	707.4	762.4	795.8
August ...	1097.6	2340.8	4356.3	709.5	702.4	651.8
September ...	979.9	2813.1	4984.4	785 3	472.4	479.9
October ...	769.9	3442.8	...	423.5	936.5	...
November ...	585.9	4721.9	...	503.5	905.9	...
December ...	2203.8	5031.5	...	497.9	724.2	...

JAGGERY AND MOLASSES.

	1935	1936	1937	1935	1936	1937
January ...	230.1	378.1	378.9	1822.3	593.2	1104.7
February ...	464.3	849.2	700.8	3642.6	1149.7	2571.9
March ...	539.9	1006.5	817 9	3418.2	3503.9	3223.6
April ...	263.4	1281.5	1014.3	2359.6	3575.3	2226.6
May ...	291.8	1132.0	1007.3	1351.8	1563.9	1956.4
June ...	264.0	1012.2	367.8	724.1	1067.3	1056.6
July ...	164.5	936.8	469.7	1272.9	1300.0	1357.2
August ...	177.0	457.3	256.7	1160.5	723.6	987.5
September ...	174.4	363.0	301.2	1045.4	850.3	1042.1
October ...	147 7	298.6	...	938.9	796.6	...
November ...	263.7	228.9	...	922.3	749.5	...
December ...	213.5	416.9	...	622.7	694.3	

TEA.

	1935	1936	1937	1935	1936	1937
January ...	77.4	44.0	55.9	156.9	143.2	303.9
February ...	57.8	52 6	64.7	123.8	170.4	263.4
March ...	48.9	41.4	60.9	159.9	179.9	311.7
April ...	93.2	63.2	93.6	147.7	193.2	317.8
May ...	75.4	57.1	89.9	132.8	226.7	330.9
June ...	53.3	50.3	63.7	146.2	232.4	333.6
July ...	48.5	66.4	50.3	161.2	263.3	340.8
August ...	51.7	59.6	71.9	167.6	245.0	699.8
September ...	60.7	59.8	88.1	121.9	221.2	347.1
October ...	55.4	92.5	...	144.1	305.2	...
November ...	62.2	82.1	...	161.6	301.6	...
December ...	33.6	90 7	...	14.,3	344.5	...

RAW TOBACCO (IN TONS)

	Import 1935	Import 1936	Import 1937	Export 1935	Export 1936	Export 1937
January ...	97.2	183.1	104.1	912.2	665.3	1018.4
February ...	274.8	431.0	287.3	871.3	1196.6	1014.4
March ...	436.9	290.2	425.8	1885.7	1358.3	1413.1
April ...	473.4	300.2	396.4	1833.6	1673.2	1175.5
May ...	251.4	178.0	419.9	1505.9	1705.6	1579.1
June ...	241.4	208.6	170.8	1231.0	1160.5	1143.4
July ...	187.2	184.6	151.5	1288.1	903.7	1093.6
August ...	145.5	172.5	139.8	1036.1	1194.9	886.7
September ...	151.1	156.5	143.6	807.3	685.0	774.1
October ...	144.1	192.0	...	830.6	879.2	...
November ...	173.9	179.7	...	1207.5	1904.8	...
December ...	124.3	55.7	...	1379.7	1225.7	...

WOOD AND TIMBER.

	1935	1936	1937	1935	1936	1937
January ...	5013.4	4175.9	5747.8	478.9	430.6	1075.8
February ...	5917.2	3756.8	9462.4	484.8	845.7	777.1
March ...	7314.2	4837.4	7738.4	552.4	470.8	1489.1
April ...	4893.3	6207.6	5717.4	607.1	917.3	916.1
May ...	8398.1	7401.8	7343.5	1007.7	742.8	1157.7
June ...	5821.4	4370.9	7882.0	573.2	688.4	1164.4
July ...	4069.9	2816.4	5363.3	766.1	572.5	1354.5
August ...	2406.1	6460.8	2870.5	950.6	1186.0	1327.7
September ...	1805.2	1945.8	1958.5	649.2	904.2	1190.7
October ...	2587.1	1197.9	...	548.5	984.6	...
November ...	3286.3	2245.2	...	379.2	743 2	...
December ...	5679.9	3571.0	...	471.6	941.9	...

RAW WOOL.

	1935	1936	1937	1935	1936	1937
January ...	29.5	51.4	93.1	117.9	117.2	145.0
February ...	30.1	41.0	117.4	123.5	163.2	132.8
March ...	18.5	83.8	69.4	144.9	162.5	168.7
April ...	9.8	55.8	80.8	71.0	142.1	59 0
May ...	40.4	26.3	56.8	105.1	42.1	69.1
June ...	15.6	36.9	45.9	87.4	63.5	8.61
July ...	41.8	16.1	16.3	152.6	38.1	64.4
August ...	56.6	23.8	55.1	104.9	36.6	48.5
September ...	65.5	14.0	38.9	192.5	70.9	126.3
October ...	55.9	41.8	...	147.9	50.2	...
November ...	65.7	40.7	...	145.8	96.6	...
December ...	47.6	63.2	...	168.3	98.6	...

The following are the approximate rates of Shipping Freight from Madras to Continental ports.

ARTICLES		Rate s.	Rate d.	Per Ton Cwts.	Per Ton Cft.
Asbestos in bags	...	60	0	20	...
Barytes crushed in bags	...	32	6	20	...
Blood Meal in bags	...	35	0	20	...
Bones handbroken	...	55	0	20	...
Bonemeal and Crushed bones	...	40	0	20	...
Bonesinews in pressed bales	...	55	0	...	50
Bonesinews in bags	...	55	0	8	...
Cardamoms in cases	...	77	6	...	50
Carpets	...	†77	6	...	50
Cashewnuts in cases	...	67	6	...	50
Castor Oil in cases		67	6	20	50×
Castor Oil in casks	...	80	0	20	...
Chrome Shavings in bales	...	40	0	...	50
Chrome in bags	...	30	0	20	...
Cigars	...	†77	6	...	50
Cocoanut Cakes in bags	...	35	0	20	...
Coffee	...	†60	0	18	...
Coir Yarn	...	60	0	...	50
Condiments	...	†77	6	...	50
Copra in bags	...	57	6	12	...
Corundum	...	32	6	20	...
Cotton	...	43	0	...	50
Cotton Lint in pressed bales	...	60	0	...	50
Cotton Seed	...	55	0	20	...
Cotton Waste Non-oily in pressed bales	...	50	0	...	50
Cotton Yarn	...	52	6	...	50
Cow Tail hair in bales	...	47	6	...	50
Cow guts (dry) in cases and casks	...	50	0	20	50×
Cuddappah Slabs in crates	...	30	0	20	...
Divi Divi in bags	...	50	0	20	...
Divi Divi in packets 20 lbs. net	...	40	0	20	...
Finished Leather	...	†72	6	...	50
Ginger in bags	...	55	0	12	...
Gingelly Seed	...	40	0	20	...
Goat Hair	...	42	6	...	50
Granite Stones (polished) up to 2 cwts. each	...	35	0	20	...
Handkerchiefs (Madras)	...	†77	6	...	50
Hemp	...	42	6	...	50
Hides (tanned, dry, in bales)	...	†72	6	...	50
Hide cuttings in pressed bales	...	40	0	...	50
Hide Fleshings	...	45	0	...	50
Horns, Cow, Buff, Deer and Elk bags	...	65	0	20	...
Horns, loose	...	*35	0	20	..
Horns (Buff and Cow) in packets of 40 lbs. net	...	*35	0	20	...
Horn Tips in bags	...	67	6	20	...
Horn Tips in packets of 40 lbs. net	...	*55	0	20	...
Horn Meal	...	42	6	20	...
Illmenite Sand in bags	...	35	0	20	...
Indigo in cases	...	†77	6	...	50
Kapok in pressed bales	...	55	0	...	50
Magnesite in drums	...	40	0	20	...
Metal Scrap in bags (other than Aluminium)	..	35	0	20	50×
Mica in cases valued at £ 200 and under per ton	...	†77	6	20	50×
Mica in cases valued at over £ 200 per ton	...	3%		ad	val
Mica Splittings	...	†67	6	20	50×
Mica Waste in bags or cases	...	†40	0	20	50×
Molasses liquid in steel drums	...	40	0	20	...
Myrabolams in bags	...	40	0	20	...
Myrabolams in pockets of 56 lbs. net.		*35	0	20	...
Nux Vomico in bags	...	50	0	20	...
Nux Vomico in pockets 40 lbs. net	...	*40	0	20	...
Oils (Vegetable) in cases	...	67	6	20	50×
Oils (Vegetable) in casks	...	80	0	20	...
Oils (Fish) in drums and casks	...	85	0	20	..
Oils (essential)	...	1%		ad	val
Oil (Groundnut) in Iron or Steel Drums	...	45	0	20	...
Palmyra Fibre in pressed bales or ballots	...	60	0	...	50
Palmyra Fibre in handmade ballots or bundles	...	60	0	10	...
Pepper in bags	...	67	6	16	...
Personal Effects	...	60	0	20	50×
Redwood (as tonnage)	...	35	0	20	...
Rice	...	57	6	20	...
Rice Bran in bags	...	45	0	20	...
Rubber in case	...	67	6	...	50

ARTICLES		Rate s.	Rate d.	Per Ton Cwts.	Per Ton Cft.
Rubber Scrap in bags	...	60	0	20	...
Sandalwood	...	60	0	11	...
Seekai in bags	...	40	0	20	...
Senna Leaves in bales	...	52	6	...	50
Shooks (Beer) on or under deck at Ship's option	...	50	0	20	...
Silk Waste in bales	...	55	0	...	50
Silver	...	1%		ad	val
Skins, Tanned or Dry in bales	...	†72	6	...	50
Skins Wet, Salted or pickled in casks.		†82	6	...	50
Steatite in bags	...	35	0	20	...
Tallow in tins	...	67	6	20	..
Tamarind in casks	...	77	6	20	...
Tamarind in bundles	...	82	6	20	...
Tea	...	†62	6	...	50
Teak Planks up to 5' lengths	...	50	0	20	50×
Teak Planks over 5' lengths	...	60	0	20	50×
Teak Logs over 10' lengths	...	77	6	20	50×
Teak Scantlings and Palings up to 10' lengths	...	50	0	20	50×
Teak Scantlings and Palings over 10' lengths	...	60	0	20	50×
Timber in logs	...	77	6	20	50×
Timber in planks, scantlings	...	77	6	20	50×
Tin Clippings in pressed bundles	...	45	0	20	50
Tobacco in Casks	...	†50	0	...	50
Tobacco in bales	...	†55	0	...	50
Turmeric	...	55	0	16	...
Valuable Cargo	...	3%		ad	val
Wax (Bees or otherwise)	...	55	0	20	...
Wool	...	47	6	...	50
Woolen and Cotton Cuttings	...	55	0	...	50

† Subject to 10% Rebate to signatories to the M. H. F.C. Agreement.

× At Ship's Option. * As broken stowage.

State Owned Rys.

(In Lakhs of Rupees)

	Gross Earnings of all State-owned Rys. of Class I. 1935	1936	1937	Total Wagons loaded (Class I Rys.) 1935	1936	1937	(Miscellaneous smalls Wagons loaded on Class I Rys.) 1935	1936	1937
Jan. ...	844	816	937	680	693	750	146	148	16[illegible]
Feb. ...	700	827	841	634	666	663	131	147	145
March.	815	874	968	629	610	726	138	150	160
April ...	780	810	836	595	607	671	130	130	150
May ...	813	783	830	59[illegible]	572	630	146	13[illegible]	148
June ...	710	692	775	532	526	555	133	134	1[illegible]2
July ...	650	637	707	482	475	515	133	12[illegible]	13[illegible]
August.	616	621	660	454	462	486	1[illegible]6	1[illegible]	133
Sept. ...	630	637	713	487	482	525	136	130	136
October.	746	763	...	550	577	...	147	160	...
Nov. ...	733	772	..	566	575	.	145	1[illegible]	..
Dec. ...	800	904	...	553	6[illegible]4	...	148	162	..

FOR THE SUMMER HOLIDAYS
"GO AS YOU PLEASE"
For 15 DAYS
1st CLASS Rs. 60 | 2nd CLASS Rs. 37-8 | 3rd CLASS Rs. 15
Supplementary Tickets for
Jalarpet—Madras Central Station
Rs. 12 | Rs. 7-8 | Rs. 3
Tickets issued from 15th May to 30th June 1938.
Tickets issued on or after 17th June are valid up to Midnight of 30th June 1938.
Also
"TRAVEL AS YOU LIKE"
Tickets for Combined Travel on S. I. AND M. & S. M. RAILWAYS
For 20 DAYS
During the same period of issue.
Tickets issued on or after 12th June are valid up to 30th June 1938.
2nd CLASS Rs. 65 | 3rd CLASS Rs 22
For further particulars ask Station Masters.
S. I. R.

Southern India Railway Passengers' Conference

The speech of Mr. Gordhandas Gokuldas Morarji, President, Indian Merchants Chamber, Bombay, at the first Provincial Conference of Southern India Railway Passengers' Association at Devakottai is a masterly survey setting forth the grievances and the legitimate demands of the travelling public and the paramount necessity of the Railway and administration to change their angle of vision and identify themselves closely with the public than it has been the case hitherto. He said that it is high time that the old relation between the Railways and the public, of the exploiter and the exploited, must entirely give way to that of the caterer and customer. Mr. Morarji complained that the Railways in their outlook are neither commercial or national. "They are not commercial because they are primarily strategical; they are not national because their second most important object was the development of export trade in raw materials and import trade of manufactured articles. He said that the Railways must recognise that they must give primary consideration to the development not only of agriculture but also of indigenous industry and internal trade. He pleaded for a uniform freight rate policy and for cheap and efficient transport facilities which are so essential for the development of industry and commerce. He spoke about the top-heavy administration of the Railways in India and whenever there was a demand to reduce the Railway fares it had been a turned down on the plea of commercial working of the Railways.

Mr. Morarji stressed upon the need for cooperative working between Indian Railways. Passengers who happened to travel over different Railways or different systems of Railways complained about the difficulty of through booking, improper connection of trains, deficient catering arrangement and improper transhipping facilities at junction stations. So he said that all Railways should cooperate and provide easy transport facilities to passengers. He said that the Railways should develop tourist traffic and should provide proper facilities for the pilgrim traffic. Coming to the important problem viz. the Third Class Passenger he said much had been said in the past about this both on the platform and on the press and a little here and a little there was done but the main problem remained to be solved. The Railways get 92 per cent of their Revenues from the third class passengers but it is a sordid contrast which is really painful to find the huge disproportion of comforts provided for higher class passengers and the lower class passengers. The Government content themselves only by expressing their lip sympathy and complimenting the third class passenger as the 'best customer'. He said that the third class passenger must be acknowledged as the prodominant partner in the passenger service and the grievances of third class passengers such as over crowding in trains, insufficiency of fast trains, insanitary water-closets, incivility and dishonesty of the staff should be redressed. The subordinate staff should behave more politely with the third class passengers and guide them whenever they are in need and the superior staff should turn a kindlier eye to the complaints received from them. He said that corruption in all forms should be stamped out and the Wedgwood Committee recommended "that determined efforts must be made to put an end to it." The Railway Board, he said, ought to revise the constitution of the existing Railway Advisory Committees and give wider representation to all interests and the Railways should recognise and appreciate the importance of the existence of Passengers' Associations and give representation to them. Speaking about the necessity of having a truly National Transport policy he remarked, "the time has definitely arrived to undertake an exhaustive and scientific examination of the means and problems of transport vis-a-vis development of trade, industries and agriculture as well as convenience of the travelling public.........The conflicting interests of different authorities, if any, ought to be subordinated to the over-riding interests of the nation as a whole". He added that "proper and uniform regulation of motor transport on roads is essential in the interests of such a Road Policy and he welcomed the Motor Vehicles Bill as a step in the right direction in the matter of facilitating such a coordination."

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Finance

Indian Customs Revenue—

(In Lakhs of Rupees)

April 1937	March 1938	April 1938
3,67	4,22	3,20

Treasury Bills Position

(In Thousands of Rupees)

Week-ending		Treasury Bills Sales	Average Discount on accepted tenders per annum, Rs.	A.	P.	Total outstandings. Opening balance on 2nd April 1937 Rs. 15,00,00
	1938	Rs.	Rs.	A.	P.	Rs.
	1938					
Jan.	6	2,00,00	1	3	9	23,00,00
,,	13	2,00.00	1	4	7	23,00,00
,,	20	2,00,00	1	4	4	23,00,00
,,	27	2,00,00	1	4	4	24,00,00
Feb.	3	2,00 00	1	5	5	25,00,00
,,	10	1,50,00	1	7	1	25,50,00
,,	17	1,50 00	1	7	11	26,00,00
,,	24	1,00,00	1	6	9	26,00,00
March	3	1,00,00	1	7	1	23,00,00
,,	10	1,00,00	1	8	3	22,00,00
,,	17	1,00,00	1	9	8	21,00,00
,,	24	1,00,00	1	9	9	20,00,00
,,	31	1,00,00	1	8	9	19,00,00
April	7	2,00,00	1	8	10	19,00,00
,,	14	2,00,00	1	8	3	19,00,00
,,	21	2,00,00	1	8	7	19,00,00
,,	28	2,00,00	1	8	10	19,00,00
May	5	1,50,00	1	7	7	18,50,00
,,	12	1,00,00	1	6	4	18,00,00
,,	19	1,00,00	1	6	11	17.50,00
,,	26	65,25	1	6	4	17,15,25

Currency Notes issued in India & Burma

(In Crores of Rupees)

	1935	1936	1937
January	184	194	204
February	183	194	208
March	186	195	208
April	186	195	208
May	186	196	207
June	187	198	208
July	190	201	212
August	192	202	213
September	193	203	213
October	194	203	214
November	195	202	214
December	194	201	214

Gold Exports from India

(In Thousands of Rupees)

	1935	1936	1937
January	4,41,60	2,71,71	2,38,62
February	4,78,22	2,63,89	1,15,09
March	5,15,39	2,08,42	1,19,26
April	1,04,28	2,79,88	1,83,27
May	1,94,63	3,28,06	1,47,13
June	1,01,61	2,79,58	81,52
July	6,04,26	4,04,83	2,40,27
August	6,76,96	2,25,74	1,44,01
September	3,71,91	2,21,31	1,44,81
October	3,04,63	2,19,07	1,30,46
November	3,96,16	3,58,28	1,17,57
December	2,77,62	1,55,71	1,65,73
Total	44.22,27	33,15,94	18,27,74

Total Exports of Gold from India

	1931	1932	1933	1934
Rs.	37,48,82,851	75,17,52,203	51,25,48,810	60,50,74,489

CURRENT AND TIME DEPOSITS OF SCHEDULED BANKS

(In Lakhs of Rupees)

Month.	Current Deposits. 1936	Current Deposits. 1937	Time Deposits. 1936	Time Deposits. 1937	Total. 1936	Total. 1937	Percentage of Cash to liabilities. 1936	Percentage of Cash to liabilities. 1937
January ...	122·9	132·8	99·4	102·6	220·9	235.6	18·11	9·81
February ...	120·6	131·3	100·9	103·4	221·3	235·6	18·24	10·93
March ...	120·5	133·2	101·3	104·7	221·9	238·9	18·79	12·02
April ...	120·9	135·54	101·0	105·63	223·5	...	18·80	...
May ...	122·5	134·51	101·7	107·38	222·4	...	13·10	...
June ...	122·9	133·19	100·2	106·05	223·2	...	16·78	...
July ...	126·6	133·64	100·1	108·42	227·9	...	16·63	...
August ...	128·9	134·00	100·8	110.27	229·4	...	17·04	...
September ...	129·0	132·95	101·2	110·18	230·1	...	14·50	...
October ...	131·4	134·28	99·5	109·45	230·8	...	14·03	...
November ...	132·3	135·66	99·9	108·38	232·9	...	13·13	...
December ...	131·6	...	101·3	...	229·6	...	10·34	...

MADRAS CLEARING HOUSE RETURNS

(In Lakhs of Rupees)

Year	Amount	Year	Amount		
1918—19	25,48	1928—29	65,73	April '37...	12·66
1919—20	33,95	1929—30	82,19	May ...	7·64
1920—21	75,79	1930—31	50,36	June ...	7·28
1921—22	39,54	1931—32	43,97	July ...	10·23
1922—23	45,13	1932—33	48,85	Aug. ...	2·83
1923—24	55,41	1933—34	53,19	Sep. ...	10·27
1924—25	55,96	1934—35	56,22	Oct. ...	9·24
1925—26	56,89	1935—36	69,23	Nov. ...	7·65
1926—27	54,53	1936—37	91,39	Dec. ...	9·25
1927—28	59,79				

Purchase of Sterling by Government or Reserve Bank of India (000's of £)

	1936	1937	1938		1936	1937	1938
January ...	5,300	9,588	3,270	October ...	5,000	3,035	...
February ...	2,595	8,130	4,945	November ...	4,000	650	...
March ...	3,145	4,155	4,327	December ...	8,314	570	...
April ...	3,570	5,480	...	Total ...	42,699	33,946	12,542
May ...	1,000	95	...				
June ...	2,225	985	...				
July ...	2,555	425	...				
August ...	1,430	753	...				
September ...	3,565	80	...				

Total Purchase of Sterling in 1933 ... 27,900
" " " " 1934 ... 47,459
" " " " 1935 ... 28,961

IMPRESSIVE FIGURES

Business in Force, Claims Exceed .... Rs. 11,00,00,000
Total Claims Paid Exceed .... Rs. 1,75,00,000
Total Assets Exceed .... Rs. 3,00,00,000

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Weakness in Rupee Exchange

The following are extracts from the letter addressed by the Southern India Chamber of Commerce to the Government of India on "the "Weakness in rupee exchange":—

In the course of the last few days the rupee has had a precipitate fall from 1sh. 6 3/32d. to 1sh. 5 13/16d. That indicates the true state of India's import and export trade and Government would be well-advised in taking the sudden fall of the exchange only as a sign of the evil and not as the evil itself, and in leaving the exchange alone instead of trying to remedy the evil by propping up the exchange with a view to introduce health and vigour into the languishing veins of the export trade.

This Chamber would like to bring out a few prominent features of the present economic situation which are important in correctly understanding the present weakness of the exchange. The general fall in prices during the last twelve months, both of agricultural produce and of manufactured articles stands out as a striking feature. Taking the commodity price indexes relating to Calcutta published by Government, it is found that, taking the basic figure as 100 for July 1914 between February 1937 and February 1938,

Cereals	fell	from	79 to 68
Pulses	"	"	92 to 84
Raw Jute	"	"	52 to 47
Raw Cotton	"	"	98 to 75
Hides & Skins	"	"	83 to 71
Tea	"	"	143 to 137
Jute manufactures	"	"	65 to 61
Cotton manufactures	"	"	117 to 110 and
Wool and Silk goods	"	"	129 to 80.

It would be found that India is almost the one country where the fall in prices during the period of depression has been most accentuated. Taking 100 as the basic figure for 1929, in India wholesale price index in 1937 fell to 72.3, in U. K. to 89.3, in U. S. A. to 90.6, in Germany to 77.2 and in France to 92.7. India was one of the worst sufferers of the slump in prices.

The export trade of a country is an important index of its economic potency and its surplus over imports, taking the invisible imports and exports into account, is the real measure of its annual accretion of wealth. Over and above the normal balance of exports of merchandise and imports of merchandise, India requires to pay abroad about Rs 70 crores to cover invisible imports and Home charges. If therefore the exports of merchandise do not leave a surplus of at least Rs. 70 crores over imports it is an alarmingly unhealthy feature of India's foreign trade. From one year previous to the depreciation of sterling in 1931 up to 1937—38, the surplus of exports over imports of merchandise was as follows:—

Year.	Value of imports in crores of Rs.	Value of exports in crores of Rs.	Surplus in crores of Rs.
1930—31	173	226	53
1931—32	131	161	30
1932—33	135	136	1
1933—34	117	150	33
1934—35	135	155	20
1935—36	137	164	27
1936—37	128	202	74
1937—38	177	189	12

Except in the year 1936—37 the surplus was far from reaching the normal figure of Rs. 70 crores.

Another distressing feature of the situation is the incessant outflow of gold from India which is an unhealthy and abnormal feature, the normal position being a regular import of treasure in order to liquidate India's surplus exports. Within the last seven years instead of a normal import of 20 crores per year, India has exported over Rs. 325 crores worth of gold which is a fair measure of the extent to which India has lived upon her capital during the period. But there is an unmistakable sign of gold exports coming to a standstill. From the peak figure of Rs. 60/- crores in 1934 the export has fallen as low as Rs. 18/- crores in 1937 and it would be most unwise to expect the outflow of gold to continue indefinitely to sustain imports.

All those circumstances show how much India has been hit during the present depression and how little India can afford to pay for imports by export of gold. An effort should now be seriously made to maintain India's export trade at a normally healthy figure and to increase the buying power of the people. The best way to achieve the object would be to allow the exchange ratio to settle at the point of equilibrium that may be determined by the course of trade unless Government are able to foresee the point and adjust the radio in advance. What this Chamber desires to urge is that the fall in the ratio is only a pointer of the innate weakness of the economic situation and Government would not be well-advised in attempting to remedy the evil by tackling the symptom of the evil. Government are not unaware of the disastrous loss of public money caused by previous futile attempts in that direction. The familiar methods of causing stringency in the market by raising interest rates by deflation of currency, by sale of reverse councils, and of meeting demand for sterling by sale of sterling securities or by raising sterling loans and such other measures, have always landed the country in utter disaster and this Chamber would urge Government to abandon such reckless steps to sustain an unnatural ratio. The Chamber is aware that the instrument of action for carrying out such objects is the Reserve Bank of India and the bank has certain statutory obligations. Nevertheless the country knows that legislation exists for the benefit of the country and the Government of India could alter legislation if the country's interests demand it. In conclusion the Chamber desires to appeal to Government to give full consideration to the altered circumstances of the country and to decide to free the country once for all from the consequences of an impracticable and uneconomic exchange ratio.

Mr. Subhas Chandra Bose, the Congress president, who presided over the Premiers' Conference held at Bombay made a suggestion that with a view to enabling the masses to increase their purchasing power all the seven Congress Governments should make a recommendation to the Central Government asking them to take up the question of lowering the rupee ratio It is learnt that it was agreed that the Congress Governments should make a representation to the Government of India to lower the rupee ratio.

Compaign Against Corruption

The Chamber has been informed by the S. I. and M. & S. M. Railway authorities of their readiness to co-operate with merchants to eradicate corruption in all forms. Members are requested to report cases of corruption to the Secretaries and such cases may be discussed at periodical meetings with the Chief or Deputy Commercial Manager in the strictest confidence. Other methods will also be tried to eradicate the evil.

Proceedings of Public Bodies

Southern India Chamber of Commerce, Madras.

Supply of labour to the Madras Port Trust :—

The supply of labour to the Madras Port Trust Board for the handling of cargo is fixed by tender. The term of the present Contractor is due to expire by 1st Sept. 1938. The Port Trust Board called for tenders for the supply of labour for a period of five years. Out of the five tenders that were received the highest tender given by the present contractor was accepted in spite of protest of the Indian trustees. Three Indian Trustees therefore represented to the Government of India that the action of the Port Trust Board was illegal and therefore Government should withhold consent. A copy of the representation was sent to the Chamber. The Chamber in its letter to the Trust Board pointed out that by accepting the highest tender the Board will be making a free gift of about Rs. 25,000/- a year to the contractor and that the resolution of the Board was not in the interests of the Port. The Chamber has also drawn the attention of the Government of India by telegram urging that the resolution of the Port Trust Board accepting the highest tender involves loss to the Board. The matter is pending before the Government of India.

Education of employees in Factories :—

The Commissioner of Labour has under consideration the question of giving education to half-timers and adult employees in factories by the owners of factories and has asked the opinion of the Chamber on the proposal. The Commissioner is further of opinion that education should be imparted during working hours as otherwise employees may not care to attend.

The proposals of the Commissioner though calculated to improve the lot of employees and to increase efficiency is not conducive to the growth of the industries. The employees in recent times have been receiving very sympathetic consideration from the Government. It is doubtful whether under the weight of such liberal labour laws industries which are just beginning to bear fruits will not perish. It is also to be noted that this is purely a provincial measure and will be a serious handicap to the industries within the province, so that industries in Madras have to face competition not only from the well-organised foreign countries but also from the sister Provinces. Such measures should emanate from the Central Government and be applicable to the whole of the country. Moreover it is the prime duty of the Government to afford adult education and should not be left to be taken up by individuals in their own way.

Bombay Chamber of Commerce, Bombay March & April 1938.

United Provinces Artificial Ghee Colourisation Bill :—

In March 1938 a member forwarded for the consideration of the Chamber a copy of a representation sent to the Government of the United Provinces by the Vegetable Products Industry in connection with a non-official Bill called the United Provinces Artificial Ghee Colourisation Bill. It was stated that the United Provinces Prevention of Adulteration Act had been utilised to prevent the sale of adulterated ghee, but this Act had failed to stop the sale of artificial ghee under the guise of the genuine material. Secondly the Prevention of Adulteration Act had also been found in practice to be ineffective in preventing the sale of adulterated ghee. The present Bill was meant effectively to prevent the sale of artificial or adulterated ghee.

The Bill proposed that all artificial ghee should be coloured in the manner to be prescribed by the Government before it was exposed for sale.

In supporting the representation made by the Vegetable Product Industry the Committee informed the Government of the United Provinces that they considered that with the organisation that it was proposed to set up under the Bill in order to prevent adulteration, the objective sought could better be obtained by making compulsory the marking of all packages (original and subsidiary) in which the vegetable product was sold, with a distinctive and uniform label. Such a scheme would make sellers equally liable under the penalties and would not adversely affect a trade valuable to Indian industries and primary producers alike.

The Committee, moreover, suggested that if under the provisions of the Bill the vegetable product was coloured, it would find little or no market, with the consequent result that the price of pure ghee would rise. This would make adulteration still more profitable and offer an enhanced temptation to the fraudulent.

In conclusion the Committee stated that they desired to associate themselves with the representation made by the indigenous vegetable product industry and hoped that the Government of the United Provinces would endeavour to arrange for legislation along lines less prejudicial to the interests of both consumers and manufacturers.

Control of Drugs and Medicine Traffic.

The Bill to regulate the import into British India of certain drugs and medicines was referred to a Select Committee by the Legislative Assembly in March 1938. The Select Committee held its first meeting on the 2nd April and then adjourned *sine die*. It is understood that before the next session of the Assembly the Central Government will approach all Provincial Governments and enquire whether the latter would be prepared to authorise the Central Government to pass an All-India Act covering not only imports but local manufacture and retail sale or, as an alternative, to supplement the Central Act by individual local legislation covering the two latter parts. The Select Committee will meet again during the Simla session of the Legislative Assembly.

Payment of Bills by Cheque.

It will be recollected that various Government Departments and public bodies have agreed, when paying bills to members of the Chamber, to remit by cheque providing a receipt is sent immediately after receiving the cheque. A complaint has been received from one public body to the effect that certain members have failed to furnish receipts in accordance with these arrangements and attention is particularly drawn to this point as failure to comply may result in the cancellation of this facility.

Bill to regulate the hours of work of shop assistants and commercial employees :—

In March 1938 the Commissioner of Labour asked for the views of the Chamber on a Draft Bill to regulate the hours of work of shop assistants and commercial employees and for certain other purposes.

The Committee were of opinion that it was inadvisable to include commercial establishments within the scope of the present Bill, and more particularly when it was borne in mind that the cost and harassment of inspection in a city and bazaar like that of Bombay would be enormous.

In view of the foregoing therefore, the Committee strongly recommended that commercial establishments should be excluded from the scope of the Bill altogther, and that the proposed legislation should apply to shops and the retail trade and in the sense of a maximum 54 hour week rather than a 9 hour day.

Facilities to Indian Apprentices for practical training :

In April 1938 the Government of Bombay, General Department, asked for the views of the Chamber on the following resolution passed by the Legislative Assembly on 27th January 1938 :—

"This Assembly recommends to Government to issue instructions to all departments of Government, semi-Government bodies, Municipal Corporations and Municipalities, to insert in all contracts and agreements with all manufacturers and suppliers for the supply of stores, materials, machinery or services a clause to the effect that the manufacturers concerned and the suppliers concerned shall afford or procure, as the case may be, every facility to Indian apprentices for practical training in factories, workshops or offices, owned, managed, controlled or patronised by them so as to enable the Indian apprentices to acquire a full knowledge of the technique and work of their trade, industry, calling or profession."

It was recorded in the Excerpts for January 1938 that the Committee had informed the European Group, Bombay Legislature, that a protest should be voiced against the resolution on the grounds that whereas the facilities which the resolution covered were normally given, it contained a suggestion of compulsion and discrimination between Indian and non-Indian suppliers. It was also considered that the facilities in question were very loosely defined and were open to more than one kind of abuse.

In replying to Government on the present reference the Committee stated that in their opinion the conditions of contract as between Government and supplier which would arise were effect given to the resolution, were impracticable. They agreed that it might be possible for workshops owned or controlled by suppliers to comply with the undertaking but they considered it clearly impracticable for those who merely managed or patronised workshops to give or procure such an undertaking. This would apply with special force to the supplier who collected his parts from many manufacturers to enable him to tender for the complete unit of supply which was required.

The employment of Indian apprentices was already in operation in many directions and was likely to develop in its proper economic manner. The wording of the present resolution would impose restrictions on the competitive capacity of firms who tendered for Government contracts and would undermine the possibility of Government obtaining the lowest possible price from the greatest range of alternative sources of supply.

The Committee stated that they were therefore definitely opposed to Government giving effect to the recommendations contained in the resolution, but they would, however, raise no objection to an expression of the desirability of the principle being adopted wherever possible, but without insisting on precise conditions which, if made effective, would be bound to carry the foregoing objections.

The Committee suggested that a clause worded somewhat as follows might be suitable for adoption.

"The Manufacturers concerned and the Suppliers concerned accept the principle of the desirability of facilities being given to Indian apprentices in practical training in factories, workshops, or offices, owned, managed, controlled or patronised by them so as to enable the Indian Apprentices to acquire full knowledge of the technique and work of their trade, industry, calling or profession and undertake to implement this principle to the extent that it is practicable to do so."

Madras Port Trust—March and April 1938.

Resolved to accept the tender submitted by Messrs. Sree Durga Foundry Madras, in their letter, dated the 2nd March 1938 for the supply of iron castings required by the Trust during a period of one year from the 1st May 1938.

Resolved to accept the tender amounting to Rs. 700/- given by Mr. K. Gopaul, for the removal of coal cinders and ashes from the Harbour premises during a period of one year from the 1st May 1938.

Resolved on the recommendation of the Port Engineer to accept the following tenders for the supply of timber sleepers required by the Trust for the maintenance of tracks during the year 1938–39.

(a) The tender submitted by Messrs. Parry & Co., Ltd., in their letter dated the 16th March 1938, for the supply of 750 Burma Pynkado sleepers the value of the contract amounting approximately to Rs. 6,425/- and

(b) The tender submitted by Messrs. M. Doraiswamy Iyengar & Bros., in their letter, dated the 16th March 1938, for the supply of 372 Burma teak sleepers, the value of the contract amounting approximately to Rs. 6,350/-.

Tuticorin Port Trust—May 1938.

Port dues reduction of:—Letter dated 26th April 1938, from Mr. C. Machado, Trustee, communicating his proposal to move the following resolution re-reduction of Port dues at this Port, at the next Board's meeting.

Resolution:—"That the Board resolved to reduce the Port dues on coastal steamers to As. 1/- per ton, on foreign steamers to As. 2/- per ton and for sailing vessels to As. 0-6 per ton, subject to the approval of the Government," and letter dated 28th April 1938, from all coastal steamer agents re. the reduction.

Resolved that Government be requested to reduce the Port dues on coastal steamers to As. 1-6 per ton, on foreign steamers to As. 2/- per ton and for sailing vessels to As. 0-9 per ton.

List of Journals, Periodicals, and Government Publications Received in the Library.

Daily	Place of issue.
Daily List of Imports and Exports at Madras Port ...	Madras
The "Hindu" ...	"
The "Madras Mail" ...	"
The "Times of India" ...	Bombay

Weekly and Fortnightly	
Accountant ...	London
Board of Trade Journal ...	"
Capital ...	Calcutta
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SOUTHERN INDIA COMMERCE

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MONTHLY

JUNE 1938

OFFICIAL ORGAN OF THE SOUTHERN INDIA CHAMBER OF COMMERCE, MADRAS.

Vol.

No.

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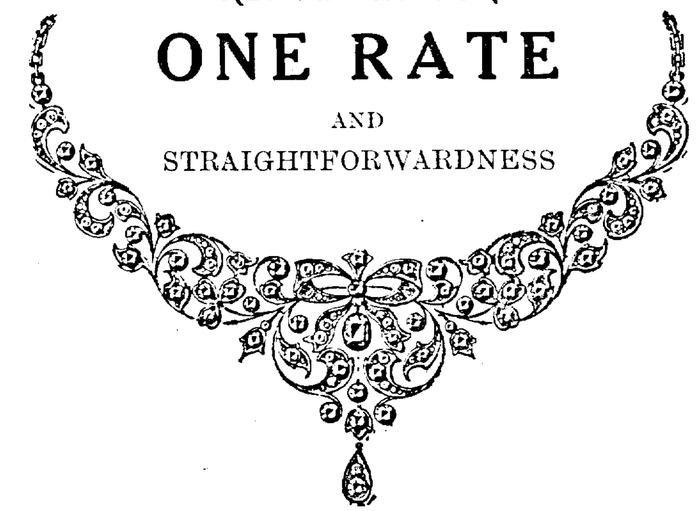

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The Role of the Reserve Bank in a Banking Crisis

BY

The Hon'ble Mr. V. Ramadas Pantulu.

The visit of the Governor and Deputy Governor of the Reserve Bank of India to Madras, in connection with the meeting of the Central Board, synchronized with the pursuit of schemes for the salvage of the Travancore National and Quilon Bank Ltd. The role of the Reserve Bank in a banking crisis therefore occupied a prominent place in the discussions between the representatives of the scheduled banks and the authorities of the Reserve Bank, during their stay in Madras. The banking institutions in Madras were naturally interested in eliciting from the Governor and the Deputy Governor of the Reserve Bank information about the nature and extent of help which the scheduled banks might expect from the Reserve Bank, in times of unexpected difficulty. It may at once be stated that the claim put before the Reserve Bank authorities, is that of banks which are solvent and which can meet all normal demands on them, but are faced with sudden heavy withdrawals from abnormal causes.. The scare created by the failure of a big bank may be taken as an instance of such abnormal causes. Run on banks, which are absolutely sound, on such occasions is not unknown. The suspension of business by the Travancore National and Quilon Bank had resulted in such a scare, and the other banks in the city, whose solvency and soundness were never doubted, were faced with withdrawals, which fortunately they could meet. Even then, assurances from the Premier of Madras and the Deputy Governor of the Reserve Bank about the sound position in general of other scheduled banks was necessary to mitigate the panic. The anxiety of the banking interests and the public to know precisely what assistance the Reserve Bank can give when similar situations arise, is therefore quite natural.

The discussions with the authorities of the Reserve Bank, however, revealed some fundamental difficulties with which the Reserve Bank felt itself confronted in coming to the rescue of the scheduled banks, even though their financial position might be sound, judged by the standards now generally accepted in this country. At the very outset we were faced with legal difficulties. It has come as a surprise on the banking circles that the interpretation of section 17 of the Reserve Bank of India Act, which is one of the most vital sections, in so far as financial assistance to scheduled banks is concerned, has become involved in a complex legal controversy, which threatens to greatly restrict the operation of that section. Section 17 (2) (a) authorises the Reserve Bank to carry on and transact business of the "purchase, sale and rediscount of bills of exchange and promissory notes drawn on and payable in India and arising out of a *bona fide* commercial or trade transaction, bearing two or more good signatures one of which shall be that of a scheduled bank and *maturing within ninety days from the date of such purchase or rediscount* exclusive of the days of grace." The Reserve Bank seems to take the view that a *promissory note, payable on demand,* does not fall within the description of the documents mentioned in this clause, and that only bills of exchange with specified period for their liquidation and evidencing a definite commercial or trade transaction fall within the clause. Another important part of Section 17 is sub-section (4) (d), which empowers the Reserve Bank to make loans and advances against the security of "promissory notes, of scheduled bank or provincial co-operative bank, supported by *documents of title to goods,* which have been transferred, assigned or pledged to any such bank as security for a cash credit or overdraft granted for *bona fide* commercial or trade transactions or for the purpose of financing seasonal agricultural operations or the marketing of crops." With regard to this clause, the Reserve Bank seems to take the view that the original party, the owner of goods, should have been out of possession of the goods and held only a delivery order which he had endorsed to the scheduled bank as security, and that it is only against such security that the Reserve Bank can make a loan or advance to a scheduled bank. In other words, this clause is construed as meaning that *documents* of title to goods should have been transferred, assigned or pledged to the scheduled banks and not the *goods* themselves by a document conferring title to possesion of such goods. The effect of this construction is that the Reserve Bank can lend or advance only on the security of certificates of recognised warehouses which are negotiable.

It is not proposed to discuss in the course of this article the question how far the construction placed by the Reserve Bank on these two sub-sections of section 17 is legally sound. It may have to be settled by obtaining opinion of competent lawyers. But in the course of the discussions with the authorities of the Reserve Bank, it has transpired that it was not merely the legal interpretation of section 17 that makes them insist on the scheduled banks producing bills of exchange or negotiable warehouse certificates, if they wish to derive financial assistance from the Reserve Bank. The Reserve Bank may have legal power to accept demand promissory notes held by scheduled banks or promissory notes of scheduled banks supported by documents of title to goods in their possession as security for advances. But such documents are evidently not considered proper securities for loans and advances from the business standpoint of the Reserve Bank's operations. In other words, till a regular bill market is developed and a system of regular warehouses, whose certificates are negotiable, is established, the scheduled banks cannot expect any tangible accommodation from the Reserve Bank. So, the clearing up of any ambiguity in the terms of section 17 of the Reserve Bank of India Act either by authoritative legal interpretation or even by an amendment of the Act, if necessary, will not serve any immediate practical purpose. Unless and until the policy and outlook of the Reserve Bank undergo a radical change, so as to make the Bank appreciate the position that the scheduled banks can only offer such securities against which they usually lend and which they are prepared to show are quite sound, not much help can be derived by the scheduled banks from the Reserve Bank. If I may say so with all respect, the attitude assumed by the Reserve Bank practically makes the main provisions of the Act inapplicable to the Indian banking world. The Bank has not taken note of the Indian conditions that have so far operated against the development of a bill market and warehouses certificates and the difficulty of overcoming those conditions. The Central Legislature which passed the Reserve Bank Act was fully cognisant of those conditions and could not have contemplated the strained and untenable i nterpretation placed on the provisions of the Act of the Reserve Bank. The Reserve Bank, though it does not ask the Indian Banks in so many words to change their well established methods of business, virtually says that no accommodation can be had from it unless they do so.

The scheduled banks then found themselves up against difficulties arising from absence of machinery in the Reserve Bank to keep themselves in touch with the scheduled banks and to deal with them when occasions for help arise. Section 42 of the Reserve Bank of India Act provides for the scheduled banks keeping certain free balances with the Reserve Bank and furnishing certain returns about their financial position. But this provision does not bring the Reserve Bank into the necessary touch with the scheduled banks. For instance, it is found that even in regard to accommodation on the limited classes of securities contemplated by the Reserve Bank as falling within the scope of section 17, the Reserve Bank proposes to satisfy itself about the credit of the parties to bills offered as security, by an investigation conducted through the Imperial Bank of India. The scheduled banks are strongly opposed to this method of investigation, for it is rightly considered to be prejudicial to the business interests of the scheduled banks. Even before the establishment of the Reserve Bank, the scheduled banks in India preferred taking loans from the Imperial Bank of India on government securities to offering their bills for rediscount by that bank. As pointed out by the Indian Central Banking Enquiry Committee, this was due to the fact that the Imperial Bank was itself a competing commercial bank and no joint stock bank would like to give away the secrets of its bills portfolio to a powerful rival bank. The position of the Imperial Bank as a rival commercial bank has become more pronounced after the establishment of the Reserve Bank and the consequent withdrawal of such limitations as there were on its commercial banking activities. The Reserve Bank could not be unaware of the strength of feeling of the scheduled banks against allowing access to the Imperial Bank to their bills portfolio, for ascertaining the credit of the parties to the bills. It is a matter, not merely of surprise, but for regret that the Reserve Bank should not have set up a machinery of its own for the purpose even after a lapse of about three years since its commencement of business.

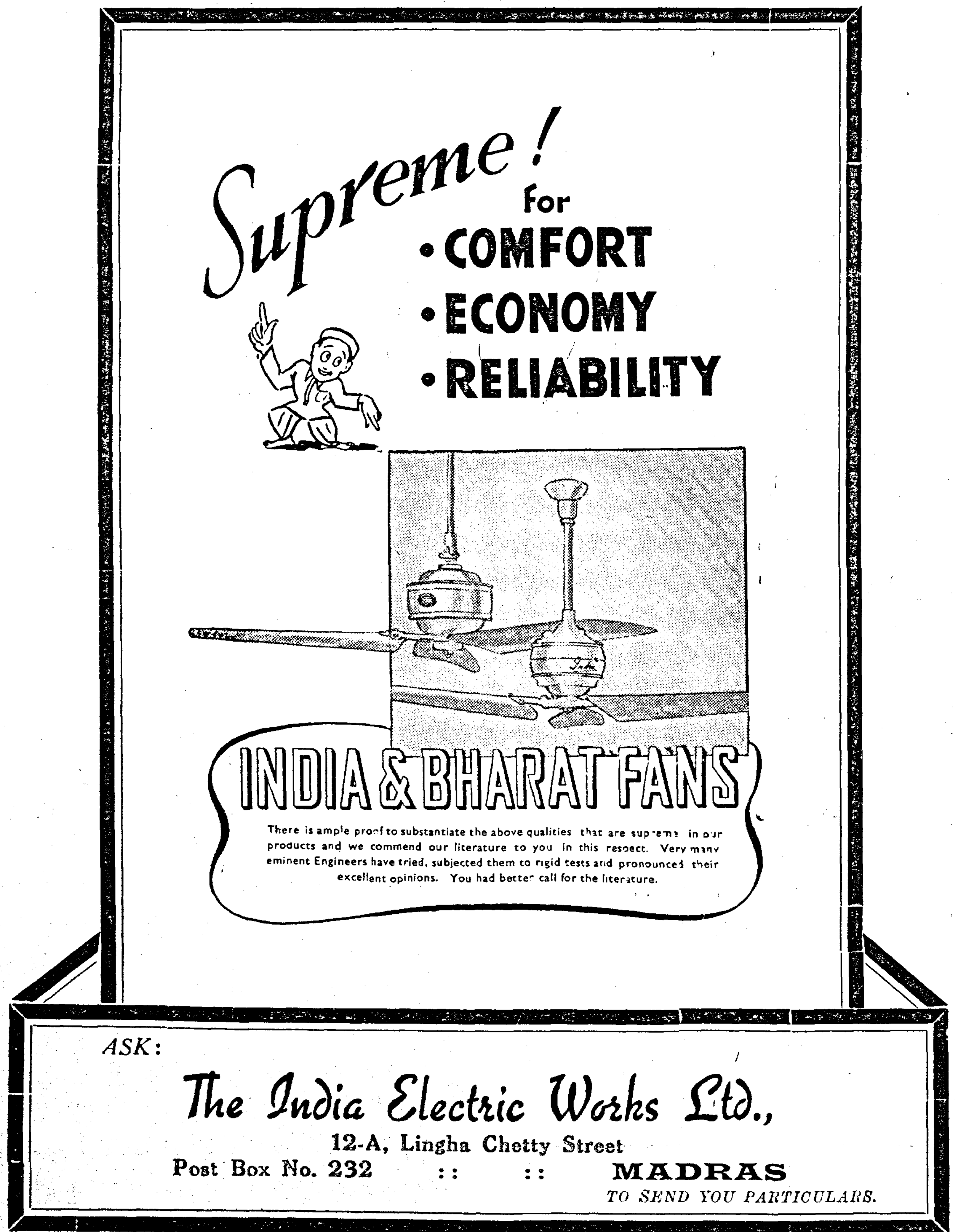
I fully appreciate the Reserve Bank's point of view that its main function is not to make advances to scheduled banks but to regulate the volume of currency in circulation by ensuring that the credit pool is maintained at a proper level and by replenishing it when it has shrunk. I also appreciate the Reserve Bank's view point that the scheduled banks must mainly rely on their own liquid assets—government securities and cash—as their first line of defence, and that rediscounting of bills with the Reserve Bank must be resorted to only under special circumstances and for extraordinary needs. But granting the soundness of these positions, there still remains the legitimate duty of the Reserve Bank to fulfil the function of the custodian of the credit of the country and to come to the rescue of the scheduled banks by helping them with funds required in times of crisis. The general feeling of the banking interests in this country is that the Reserve Bank has been of little assistance to them on occasions when they may legitimately expect and have a right to look to its help.

In order to develop the right kind of relations between the Reserve Bank and the scheduled banks, I am of opinion that there must be greater collaboration between them in normal times. It will be impossible for the Reserve Bank to know the financial position of any scheduled bank if the latter approaches the former only at a time of crisis. It is therefore gratifying to note that the authorities of the Reserve Bank are prepared to help the scheduled banks with advice and guidance from time to time and the scheduled banks are agreeable to put the Reserve Bank in possession of all such information that the Reserve Bank may call for from time to time and also to submit themselves to inspection by the officers of the Reserve Bank. The

sooner these arrangements are brought into force the better for all concerned. The preparedness of the Reserve Bank to help scheduled banks is bound to grow with the opportunities which the former has to satisfy itself that the latter are observing sound banking standards in their business. Rightly or wrongly, there seems to be an impression abroad in some quarters that the banks in South India are over-trading. There is also an impression that generally banks in South India offer higher rates on their deposits than banks elsewhere. It is up to the banks in South India to examine the position and to clear themselves of these accusations. There is no doubt that in the case of some banks the accusations appear to be true. What exactly are the limits of proper trading and when a bank can be said to be over-trading are matters which depend on various considerations and local conditions. But sound banking conventions must be set up in regard to these matters.

There is much that the Reserve Bank can do to help the joint stock banks in this country to set up and maintain these conventions. The Reserve Bank, however, has not yet unfolded its potentialities as the crown of the banking system of the country. I will not be wrong to say that the general feeling among the public and in the banking circles is one of intense disappointment with its activities so far. There is almost a feeling of despair that nothing useful will come out of the Bank, so far as the promotion and development of banking interests of the country are concerned. Its record on the whole is considered to be a dreary one. In regard to extending credit to agriculturists there have been several meetings of the Directors and many long memoranda on the subject. But nothing has emerged out of them so far. A few bulletins giving some kind of pontifical advice to agricultural and co-operative organisations have been issued by a junior I.C.S. officer placed in charge of the Agricultural Credit Department. I hope and trust that the representations made to the authorities of the Reserve Bank, on the occasion of their recent visit to Madras by the representatives of the Chamber, the scheduled banks, and the Madras Provincial Co-operatiive Bank will receive due attention at their hand and will enable them to realise the strength of the feeling behind those representations.

Before I conclude, I wish to refer to the need for the better organisation and regulation of banking in this country by the enactment of a Bank Act. The provisions relating to Banking introduced in the Indian Companies (Amendment) Act, 1936, are not adequate. The multiplication of small and unsound banks is a real source of danger not only to the public but also to the healthy development of banking in general. Again, unchecked and unhealthy competition among banks, by many of them opening branches in a single place to attract business on competitive terms, is another source of danger to our banking system. So also is the liberty enjoyed by banks incorporated in Indian States to open any number of branches in British Indian provinces to attract deposits to be invested outside British India. I am of opinion that some statutory restriction should be placed upon these and other unwholesome banking practices. When the banking system is thus purged of its weaknesses and the general tone of the system is improved, I am sure that the relations between the Reserve Bank and the other banks in the country will undergo a desirable change.



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Protection to the Sericultural Industry

The following representation was made by the Southern India Chamber of Commerce, Madras to the Tariff Board on the question of granting protection to the Secricultural Industry.

The protection recommended by the previous Tariff Board was accepted by Government on a lower scale for five years from 1st April 1934. The Board recommended a specific duty of R 2-6-0 per lb., while the Indian Tariff (Textile Protection) Amendment Act 1934 fixed an **ad valorem cum** specific duty which in practice has been totally ineffective. As against R 2-6-0 per lb. recommended by the Board the actual duty that has been operative in practice was as follows:—

	R A. P.
Re-reeled	1 15 0 per lb.
Filature	1 10 0 ,,
Hand reeled & spun ...	1 8 0 ,,
Dupion	1 5 0 ,,

2. The classification of the Tariff was defective; the **ad valorem cum** specific duty missed the mark and belied the original calculations owing to its susceptibility to price and exchange fluctuations. What was worse, such fluctuations in price and exchange could not be dealt with under the Safeguarding of Industries Act as it lapsed in the interval. In the result, far from diminishing the imports, the protective tariff synchronised with an increase of imports to India as follows:—

	1933—1934 (Pre-Protection year) lbs.	1957—38 (4th year of Protection) lbs.
Raw silk and cocoons ...	2,379,197	2,535,274
Silk yarn	2,027,681	2,337,288

3. The only redeeming feature was the diminution of imports of silk piecegoods from 41,123,380 yards in 1933-34 to 22,871,425 yards in 1937-38. It must, however, be mentioned that the good effect of the fall in the import of silk piecegoods was more than off-set by the tremendous increase in the import of staple fibre, and artificial silk yarn and piecegoods. Their import was as follows:—

	1933—34 (Pre-protection year)	1937—38 (4th year of protection)
Staple fibre	...	2,681,935
Artificial silk yarn lbs. ...	9.808,919	31,589,038
Piecegoods (yards) ...	40,397,628	89,694,938

4. To some extent artificial silk is replacing natural silk owing to the low purchasing power of the middle classes and the rapid increase of its import is fast becoming a menace to the sericultural industry as much as to the cotton textile industry. The only other change in the interval was the addition of 14 as. per lb. specific duty to the 25% **ad valorem** duty on spun silk. Its effect on import is not ascertainable as separate figures of import of spun silk are not published but the local demand for it has been stimulated by the establishment of a factory in the Mysore State. It is satisfactory to note that the price of silk waste has been improving from about 1 anna 2 pies per lb. in 1933-34 to about 5 annas at present. But the allied product of Madras, namely, eric cocoons, which is also a suitable raw material for the Mysore spun silk factory is neglected and it is only fair that as Mysore State benefits most in South India from the scheme of protection she should look upon eric cocoon supply of Madras with greater sympathy and agree to take it for a portion of her requirements of raw material.

5. Apart from the above mentioned progress in spun silk manufacture, there has been some progress in filature silk production in South India. The Kollegal Silk Filatures, Ltd. organised in 1937 extended the operation of an existing establishment. The Mysore Silk Filatures have also been opened and the operation of the Sri Ram Silk Throwing Factory of Mysore State has also been extended on a joint stock company basis. The rapid increase of power looms in the Mysore State is bound in due course to increase the marketing difficulties of handloom weavers who predominate in the economy of production in the Madras Presidency. The Tariff Board would be well-advised in examining closely how far the dependence of Mysore on the Madras Market should be reconciled and regulated with the scheme of production of raw silk, including eric silk, and handloom silk of the Madras Presidency.

6. The defect in the classification adopted in the Tariff Schedule should be removed. The omnibus classification of silk from Japan under one item of "Japanese Filatures" has been operating very unfairly as in many cases the Customs authorities were driven to depend upon invoices, the avoidance of which is the object of the system of tariff values. The item might properly be split into:

Japanese silk:—

Re-reeled
Steam filature
Yellow— } 13/15, 20/22, etc.
White— }
Thrown,
Hand-reeled,
Spun,
Mixed spun.

7. The practice of depending on invoice value for assessment of Customs duty is further complicated by the practice of import houses making their own invoices on which assessment is based with the consent and authority of the Customs Authorities. The importance of tariff value is further enhanced by the report that the Government of Japan are still holding large stocks of silk to be released when they like and at prices which suit them, certain consignments of which being reported to be actually at some ports awaiting clearance on this day. This Chamber therefore emphasises that it would be best if assessment on invoice value is avoided altogether so long as the **ad valorem** basis is retained and any tariff values are adopted for the item at all.

8. Neither the mulberry acreage nor production of raw silk in the Madras Presidency received a stimulus from the present protective scheme. The acreage of mulberry dwindled from 7,900 acres in 1933-34 to 7,000 in 1937-38, and production of 107,000 lbs. raw silk in 1933-34 improved only to about 110,000 lbs. in 1937-38. The duty has succeeded in stopping import of cocoons from abroad and local price has improved from 3½ as. per lb. to 4½ as. per lb. at present. Whatever improvement of prices of local and imported qualities was seen in 1937 was entirely speculative and the present level of prices is practically due to the tremendous drop in import during the last

6 months by reason of the high tariff value of R 4-12-0 adopted for Japanese filatures in the current year. In this connection, the Chamber would like to draw the attention of the Tariff Board to the fact that the index of prices published by the Department of Finance of the Government of Japan in the "Thirty-seventh Financial and Economic Annual of Japan" shows that the index for raw silk improved from 66 in 1934 to 91 in 1936, and that of floss silk improved from 120 in 1934 to 148 in 1936, while the same rise was not reflected in C. I. F. prices quoted for India, which points to sales having been effected below home prices. Attention of the Board may also be drawn to reports of fresh efforts being made by the Japanese Government to sustain their silk industry. It is reported that being faced with the problem of decreasing exports to the United States of America the Ministry of Agriculture and Forestry, Japan, have decided to introduce a new policy by which silk reelers would be encouraged to increase production of inferior raw silk for mixing with other yarn and to increase exports to countries other than the United States of America which takes only high grade raw silk. As a concrete measure the Ministry proposes to set aside 2.7 million yen as expenses for increasing export of raw silk and for developing new uses of silk.

9. Apart from the stimulus that the industry can receive from protecive duties there are distinct benefits and facilities that could be provided. Durng the period of protection the Government of India Subvention scheme came into operation but the amount allocated to this Province was hardly R 15,000 a year for supply of "Cellular seed" and research in pebrine disease. There have been Improvements in cultivating mulberry cross-breeding worms, reeling machines, and methods, use of waste silk and so on. The absence of cheap Railway freight is a handicap to the distribution of seed from the Government farms. The absence of silk conditioning houses leads to nervousness and demoralisation of the market. The absence of any machinery to watch the trend of prices and foreign exchanges and the operation of the protective duties is a serious drawback. The extreme shortness of a five-period of protection is a definite stumbling block to any considerable reorganisation of the industry. It is suggested that the Tariff Board may be pleased to examine those considerations in detail.

10. This chamber desires to express its disapproval of the terms of reference set out in the Commerce Department Resolution of the 9th April, 1938 by virtue of which the Tariff Board are expected to temper their recommendations with considerations of Government's revenue. The Tariff Board cannot forget that the revenue derived from protective duties is a true measure of their ineffectiveness and that it should not properly be allowed to bias the judgment of the Board. On the other hand, it is imperatively necessary that a good portion of the proceeds of the protective duties should be released for the benefit of sericulture and handlooms in the Provinces.

11. As regards the duty that may be fixed this Chamber is of opinion that a simple specific duty would be the most effective and even unobjectionable from the point of view of budgeting. The present market price of 1 quality charka silk is about R 5-8-0 per lb., but it would never have sustained at that level had it not been for the fortuitous circumstance of the tariff value of Japanese filatures having been fixed for 1938 at R 4-12-0 per lb., which has resulted in a momentary block to import. If, however, the market price should really inspire confidence in the rearers and reelers an average market price of R 5-12-0 per lb. should be assured. The C. I. F. Madras price of corresponding imported filature silk may be safely taken at R 2-10-0 per lb., thereby leaving a margin of R 3-2-0 per lb., to be covered by import duty. Indian Filature silk can sustain itself on the same margin against Japanese 20/22 Denier silk. The same specific duty would be required to be imposed on silk yarn and silk sowing thread. It is a deplorable fact that the Indian handloom silk weaving industry would now have to face not only imported fabrics but Indian power loom products. With a view to safeguard its future it would be necessary to raise the specific duty on silk fabrics by 50% so that the duty would be 50% **ad valorem** plus R 1-8-0 per lb. on pongee, satins and taffetas 50% **ad valorem** plus R 2-4-0 per lb. on Fuji, Boskei and corded, 50% **ad valorem** plus R 3 per lb. on crepes, Georgettes and other sorts. It would be advisable to retain the **advalorem** duty as a closer division of classes is impracticable and a flat specific duty may fall lightly on the more costly fabrics. This Chamber would like to add that a check upon import of artificial silk yarn and piece-goods is becoming increasingly necessary and the omission of those articles from the Indo-Japanese Trade Agreement has both facilitated and rendered it necessary to deal with them at the hands of the Tariff Board. This Chamber would suggest that the specific duty on artificial silk yarn should be raised from 3 as. per lb to 4 as. per lb., that on British artificial silk fabrics from 2½ as. per sq. yard to 3 as. and that on non-British from 4 as. per sq. yard to 4½ as. There is no reason to increase the duty on mixed fabrics at present.

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INDUSTRIAL PRODUCTION OF INDIA.

DESCRIPTION.	Month of January		Month of February		Eleven Months, April to February	
	1937	1938	1937	1938	1936-37	1937-38
Jute :—						
I. Twist and Yarn (tons) ...	4,568	4,710	3,991	4,434	47,932	48,974
II. Manufactures (yds) ...	165,271,868	166,841,636	146,705,197	145,749,384	1,695,323,827	1,785,845,015
Paper (cwts)	80,707	89,776	77,679	85,344	884,716	979,832
Iron & Steel Manufactures :—						
I. Pig Iron (tons) ...	126,376	135,845	122,133	128,608	1,385,605	1,491,614
II. Iron Castings & Mfgs.,, ...	6,916	7,951	6,382	7,198	90,617	106,861
III. Steel Ingots ,, ..	71,853	85,430	72,712	74,401	777,074	844,674
IV. Semis ,, ...	5,043	68,594	4,421	62,043	65,766	693,276
V. Finished Steel ,, ...	51,056	52,013	47,774	48,171	555,528	588,511
Petrol (gallons)	1,462,963	1,366,713	1,361,019	1,465,947	15,465,021	14,090,552
Kerosene Oil ,,	2,676,957	3,180,614	2,881,720	2,869,437	32,374,415	33,262,680
Cement (tons)	87,466	...	80,080	...	901,815	...
Sugar :—						
Khandsari (cwts) ...	7,086	5,329	13,150	7,314	51,081	33,613
Palmyra Sugar ,, ...	18,571	8,453	20,969	3,836	224,404	102,946
Other Sugar ,, ...	4,407,304	4,511,051	4,233,828	4,420,374	15,937,978	17,851 724
Matches :—						
Coloured Matches (gross) ...	191	2,062	817	1,427	130,230	144.241
All other Matches ,, ...	1,963,096	1,855,021	1,799,646	1,630,807	18,887,620	19,565,914
Paints (cwts)	2,581	5,136	3,433	4,449	17,809	42,011
Heavy Chemicals :—						
Hydrochloric Acid (cwts) ...	...	604	...	451	...	14,698
Nitric Acid ,, ...	...	814	...	666	...	10,901
Sulphric Acid ,, ...	46,794	44,011	47,550	27,953	499,331	553,019
Allum ,, ...	...	6,377	...	5,653	...	50,193
Aluminium Sulphate ,, ...	...	8,286	...	4,925	...	109,302
Ammonium Sulphate (tons) ...	1,374	1,566	1,348	1,488	16,029	16,917
Ferrous Sulphate (cwts) ...	...	1,054	...	3,323	...	11,870
Magnesium Sulphate ,, ...	...	4,768	...	4,961	...	54,635
Sodium Sulphate ,, ...	...	1,654	...	974	...	18,627

DESCRIPTION.	Month of January			Ten Months, April to January		
	1936	1937	1938	1935-36	1936-37	1937-38
Cotton Yarn :—						
India including States (lbs) ...	91,457,259	89,675,691	106,960,363	882,772,623	877,166,621	963,946,508
Madras ,, ...	9,315,107	10,766,563	10,675,206	93,839,133	107,765,625	119,266,147
Cotton Goods :—						
India including States (yds) ...	294,099,362	318,271,284	356,471,809	2,988,302,505	2,969,813,311	3,386,699,330
Madras ,, ...	5,109,917	6,214,132	6,922,817	64,443,444	64,021,786	73,028,662

DESCRIPTION.	Month of February			Eleven Months, April to February		
	1936	1937	1938	1935-36	1936-37	1937-38
Cotton Yarn :—						
India including States (lbs) ...	87,298,001	85,169,026	94,679,432	970,070,624	962,335,647	1,058,625,940
Madras ,, ...	9,720,695	10,529,571	8,113,182	103,559,828	118,295,196	127,379,329
Cotton Goods:—						
Indian including States (yds) ...	289,937,520	291,971,592	336,206,252	3,278,240,025	3,261,784,903	3,722,905,582
Madras ,, ...	5,510,777	5,975,235	6,316,373	69,954,221	66,997,021	79,345,035

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The Textile Industry in Foreign Countries

World's Cotton Crops* (excluding linters)
(500 lbs. bales 000's)

	1936-37	1937-38 Estimates
America.		
U.S.A.	12,399	18,934
Mexico	373	310
Brazil	1,712	2,282
Peru	369	400
Argentine	144	332
Other S. American ...	115	100
Asia.		
India *	6,307	5,663
China	3,741	3,083
Korea & Manchuria ...	187	300
East Indies	16	16
Russia	3,550	3,782
Persia	161	161
Iraq	8	16
Asia Minor and Europe ...	336	350
Malta & Cyprus ...	2	2
Africa.		
Egypt	1,821	2,202
Sudan	266	248
East Africa	365	346
South Africa	3	3
West Africa	36	35
Non-British	245	240
West Indies (Br.) ...	4	5
West Indies (others.) ...	25	25
Australia, etc.	9	20
World's total, ...	32,194	38,855

The proportion of untenderable cotton in the 1937 American crop is 17 per cent, as compared with 13 per cent in the previous crop. The current crop forecast of American cotton of 18,934,000 bales comprises 15,715,000 bales of tenderable cotton and 3,219,000 bales of untenderable cotton whereas in the previous crop of 12,387,000 bales comprised 10,777,000 bales of tenderable cotton and 1,610,000 bales of untenderable. Therefore the current crop is only 4,938,000 bales larger, and not, 6,547,000 bales as a comparison of the total figures would suggest.

* Govt. estimate lbs. bale.

Future of Cotton prices:—

Looking back a year ago the complete change which has come over the market since then, is due not only to the overwhelming American crop and a record Egyptian crop but also to a marked decline of consumption, which has resulted largely from the complete change in general condition of business activity led by the decline in America. A year ago consumption in the U.S.A. was touching new records for all time with the March figure at 776,942 bales. This year for four months it has been below 500,000 bales. In China and Spain war has been the cause of reduced consumption and the end of that is not yet in sight. The result is that the Carry-overs of American and Egyptian are again on the up ward track and the American Government has been forced to intervene again on a larger scale than ever and not merely as a temporary measure for one season but on the basis of a permanent policy of crop contro and price subsidies based on the Ever-Normal Granary Plan.

President Roosevelt's new measures of "pump-priming" may succeed in reversing the downward trend in America but the one point on which the fate of next season really rests is the probable yield of the American crop. Even on the restricted acreage a yield like last year's would again give a crop more than sufficient to cover the world's consumption at anything like its present rate, which would mean a further period of comparatively low prices only sustained by Government loans. But the opposite possibility must not be lost sight of. If as after 1926 and 1931 the bumper crop of 1937 should be followed by a sharp reaction the restricted acreage would give only a moderate crop, 12,000,000 bales, which would be inadequate to meet any substantial recovery of consumption in America But any sharp rise of prices on such a development would be kept within limits by the sale of the government holdings which would certainly follow if the price should rise to, say, 12 cents. It looks therefore as if, whatever happens to the crop in future years, the price is likely to be held within fairly narrow limits more or less dictated by the American Government's policy.

Japan:—

Government decision to fix the Price of Cotton:— Mr. Yoshino, Minister of Commerce and Industry, has decided to adopt the system of officially fixing prices for important commodities. Up to the present, the fixing of maximum prices has been left to the private interests concerned, but this method having been found inadequate for the purpose, the Minister of Commerce and Industry had decided to go a step further and fix prices officially.

Under the Emergency Export-Import Adjustment Law, the Minister has made up his mind to fix the maximum prices for important commodities by Departmental Order in order to ensure their faithful observance by merchants. Commodities the prices of which will thus be controlled will include raw cotton, cotton yarn, cotton cloth, rayon, staple fibre and certain other commodities.

Increased use of Staple fibre:—From November some woollen and worsted goods have been required to contain staple fibre, and the decree was followed by another, effective from December 1937, requiring cotton goods for domestic consumption to contain 30 per cent or more of staple fibre.

The United Kingdom:—

State of Textile Industry and Trade:—Quieter conditions continued in most of the textile industries, which are now much less active than at the beginning of 1937. Contributing causes have been the unstable markets for cotton and wool, and the uncertain outlook for overseas trade. The December trade returns showed exports of cotton yarn and piecegoods continuing to run substantially below the corresponding 1936 figures. Disappointing demand for cotton piecegoods has necessitated stoppages to prevent undue accumulation of further stocks. More looms are idle than for a long time and leading textile shares have fallen to record low levels. There has however, been an improved demand from India and some of the dominions and there are other factors making for a better outlook, such as increased efficiency, greater concentration of production and price-fixing agreements.

Germany :—

Trade in cotton was very slack during the month under review. Although prices of Indian cotton were satisfactory in relation to American cotton, there was no improvement in the demand for Indian cotton. German spinners were inclined to satisfy only their most urgent requirements and to curtail purchases as far as possible. Hamburg importers had difficulties in selling even their sticks of the previous month. At the end of March, a very slight improvement was felt. According to one source of information the whole unsatisfactory state of affairs in the cotton import trade is due to the act that the last American cotton crop was a very large one (estimated at 18½ million bales) and has introduced a very strong element of uncertainty among business circles which will not be allayed until the first estimates of the new crop have been made known.

Staple fibre production in Germany:—In Germany output rose from 90 million lbs. in 1936 to about 200 million lbs. in 1937. Germany thus displaced Italy as the largest world producer. This increase forms part of the Four Year Plan for attaining a higher degree of national self-sufficiency and has been brought about largely by Government encouragement. Direct measures included the enforced utilisation of staple fibre in uniform clothes and an indirect stimulus to utilisation was provided by the reduced imports of foreign textile raw materials.

Belgium :—

The cotton trade was favourably influenced by the support given to the raw material market by the enactment of the 1938 Agricultural Adjustment Act in Washington. Cotton spinners booked a few orders but the volume was not sufficient to arrest the downward trend of the market. The cotton weaving mills have booked very few orders and most of them are closed from 3 to 4 days per week.

France :—

The American Consulates at Havre and Lille report that the situation of the millls is increasingly unfavourable. Few new orders for yarn and finished goods were booked in January and Spinners' margins decreased. More mills reduced their working time during the month (February). The Consulate at Strasbourg reports that employment in the Alsace textile industry during the present crisis has reduced by 36 per cent with a reduction in the cotton spinning industry alone of 30 per cent. Three mills specializing in textile printing closed down during the month (February) and others are operating on as restricted a scale as possible with many using their reserves in an effort to keep their workers employed.

Italy :—

The cotton mills are reported to have been working full time during the first half of February, but thereafter, production both for the internal market as well as for the export trade was understood to have fallen off.

Commerce

Madras Commerce Report for the Month of April 1938

(ISSUED BY THE DIRECTOR OF INDUSTRIES)

The month of April was an eventful one in the sphere of international politics it having witnessed the conclusion of the Anglo-Italian Agreement. The political developments have not, however, changed present economic trends and there are no signs that the slight but steady deterioration on the world economic front has been arrested. On the contrary, there is ample evidence that the recession in world production, trade, and prices has continued. The business position in the United States which is the key to the world international commodity situation, continued depressed during April with trade and industrial reports showing no general improvement and business failing to show any material spring recovery. The index of business activity in that country has dropped to the lowest level for the current trade recession and is now running 26·4 per cent below a year ago. "The Economist" index of business activity in the United Kingdom has fallen almost without interruption since September last. There has, however, been a more cheerful atmosphere at times during the period under review, the main factor having been the decision of President Roosevelt to embark upon reflationary measures on a large scale and in addition to increasing public expenditure to desterilise part of the inactive Gold Fund, and at the same time to reduce the reserve requirements of member banks of the Federal Reserve system. It is probable that a spending policy of such magnitude, involving not only direct Government expenditure on a large scale, but also the making available of a very considerable volume of credit for undertakings great and small will bring about some recovery in business activity towards the end of the year when the programme eginsb to get under way. At present, however, the immediate tendency of business activity is downward despite the expansion in armament work, and although the decline is slow and is disguised to some extent by the normal seasonal upswing, it is none the less unmistakable, though commodity prices appear to discount substantial further recession. Commodities in which Madras is interested made a somewhat mixed showing during the month of April. Cotton was fairly steady though the influence of the American new spending programme seems to have worn off and prices of some varieties weakened a little. There was a fair demand for Indian mill yarn. A better demand was in evidence for Indian mill cloth, both retail and wholesale, and there was some liquidation of stocks though there is still considerable room for improvement in market conditions. There was a good demand for tanned hides and prices were well maintained. The tanned goat skins and tanned sheep skins markets, however, were lifeless and prices weakened further. Groundnuts were weak in the early part of the month, but subsequently foreign demand improved and prices appreciated and closed slightly higher at the end of April. In regard to the outlook for oil seeds for 1938, it would appear that in general supplies will be plentiful and actually in excess of the consuming capacity of the United States and Europe. The excess supply has probably been fully discounted in the low prices now ruling and if there is no over-production in 1938, the disappearance of a large proportion of the surplus into consumption may be expected during the year. Prices of paddy and rice continued steady throughout the month. The pepper market opened weak, but improved owing to inquiry from Karachi and Calcutta though lack of demand was again in evidence towards the end of the month. The international pepper market appears to be gradually returning to more normal conditions after the disturbance in 1935. Stocks of the London pepper pool have now been reduced to about half of what they were in 1935 and if liquidation proceeds at the same rate, the task of the pool in liquidating stocks should be completed by 1940. Owing to lack of Indian and European demand, the Calicut ginger market declined and closed weak. The Calicut coir yarn market remained fairly steady during the month, though there was some weakness in Beypore yarns at one period. The market for Cochin coir yarns was lifeless and prices receded. Copra and coconut oil were weak in the early part of the month, but subsequently improved and closed higher. The sugar market was firm and Madras prices improved by a few annas per cwt., the market closing steady but dull. The demand for locally manufactured acids and chemicals was not so good as in previous months. Tea producers will regret the further increase in the tea duty on the broad grounds that it will militate against expansion in consumption of tea in the main market, but though the new duty may tend to prevent expanding consumption in Britain, it does not follow that it will reduce the existing offtake, Rubber moved very erratically during April, support for trade requirements not showing signs of an early expansion and speculative interest being lacking. A substantial recovery in consuming demand in the United States will be necessary before the outlook for the grower can be regarded with more confidence.

Groundnuts:

Prices of groundnuts declined during the early part of the month due to moderate arrivals of new crop and absence of foreign demand. Subsequently, quotations improved slightly.

Paddy and Rice:

With moderate arrivals and normal demand, the paddy and rice markets continued steady throughout the month although towards the end of the period prices for inferior varieties showed a ising tendency in sympathy with the Rangoon market. The average wholesale prices of standard varieties at the main producing centres were as follows:

INDIAN PADDY PER BAG OF 170 lbs.

25th March 1938	Rs. 4-1-0 to Rs. 4-12-0
29th April 1938	Rs. 4-3-0 to Rs. 4-13-0

INDIAN RICE PER BAG OF 170 lbs.

25th March 1938	Rs. 6-6-0 to Rs. 7-4-1
29th April 1938	Rs. 6-8-0 to Rs. 7-5-0

RANGOON RICE—RAW, BROKEN A, 1 PER BAG OF 220 lbs.

31st March 1938	Rs. 7-14-0	Madras
29th April 1938	Rs. 7-10-0	

CALCUTTA RICE (NAGARA) BOILED PER BAG OF 164 lbs.

31st March 1938	Rs. 7- 0-0	Madras.
29th April 1938	Rs. 6-12-0	

Coconut Products:

On account of fair European and Indian demand for soaked and fair European demand for unsoaked, the Calicut coir yarn market remained steady throughout April, though Beypore yarn dropped slightly towards the end of the month due to diminished Indian demand. There was a poor demand for Cochin coir yarns and the market was lifeless. The demand for copra and coconut oil was weak during the early part of the month and prices recorded a further fall. Subsequently a brisk demand set in from Bombay and Karachi and prices improved steadily and closed higher.

Tinnevellies: The rainy weather continued throughout April resulting in heavy damage to the yield and quality of the first crop. The outlook for the second crop, on the other hand, improved considerably and prospects at the end of the month were better than normal. Arrivals into the market were restricted owing partly to the generally low level of prices and partly to the rains. The quality of arrivals was unsatisfactory. Kapas picked before the rains is being retained in the villages and will probably not be brought on to the market until the damaged low grades, are disposed of. Demand was mainly on account of South Indian mills and small quantities only were sold to Europe and North Indian mills. The average price at the beginning of the month was Rs. 166 per candy of 784 lbs. for unpressed cotton and remained fairly steady throughout the month closing at Rs. 163.

Karunganni in Coimbatore began to be received in the market in April and was of normal good quality. The yield, however, is expected to be considerably lower than last year. Best Karunganni opened the season at about Rs. 220 and declined to Rs. 205 per candy of 784 lbs. unpressed at the end of the month.

Cambodia:—Arrivals of Cambodia from the Coimbatore district increased considerably during April and the crop may be considered to be fully normal as regards quality. Arrivals from Salem continued and showed no change as regards quality There was a good demand for Cambodia of all grades throughout the month from Coimbatore and other South Indian mills, but no business was transacted for export or with North Indian mills as prices were considered too high. Best Tiruppur Cambodia declined in the course of the month from Rs. 220 to about Rs. 210, whilst Salem Cambodia remained fairly steady around Rs. 180 per candy of 784 lbs. unpressed.

Sugar:—

The market was firm during the early part of April consequent on an improved demand. The Indian Sugar Syndicate adjusted prices for several mills according to sales made against quotas alloted during the last selling period and rates for some mills were reduced and for others increased slightly. Madras prices improved by a few annas per cwt. The market closed steady but dull with dealers awaiting the announcement of the new selling prices of the Syndicate. Arrivals were heavy and stocks at the end of the month were estimated at about 10,000 bags. Madras prices of North Indian sugars ranged from Rs. 22-6-0 to

Rs. 23-12-0 per bag of two cwts. in April as compared with Rs. 22-2-0 to Rs. 23-6-0 in March. In up country markets, arrivals were heavy, but as demand from consuming centres was fair prices ruled steady with little or no change.

Tanned Hides And Skins:

Tanned Hides:—There was a good demand for tanned hides during April and in spite of the Easter Holidays when in some cases Curriers were closed for as long as 10 days, prices were well maintained throughout the month on the following basis: Primes 5 5½ lbs. 14¼d, Primes 8½ lbs. 12¾d, Cocos 7½ lbs 12¾d.

Tanned Goat and Tanned Sheep Skins:—The market was lifeless during April, only a very few forward orders having been placed. In the previous year, April proved to be one of the best months and forward orders were being placed freely with prices exhibiting an upward tendency. The Public Sales of Tanned Goat and Tanned Sheep skins were due to commence in London on 2nd May and the results of the auction were awaited before entering into further business. Fortunately, stocks in the Madras markets are not very large at present as several shipments have gone forward to London on a consignment basis.

Shipments during April were as follows:

Goat	Sheep	Hides	Cow Calf	Buffs	Buff Calf
1204	802	3642	272	222	144 Bales

ANNEXURE.

Wholesale prices of commodities on 29th April 1938.

Commodity	Marke	Quality or Variety	Unit	Price,
Cotton	Tirupur	Cambodia	Per Candy of 520 lbs.	Rs. 150 to Rs. 155
do.	do.	Karunganni	do.	Rs. 145 to Rs. 150
Groundnuts	Nandyal	Machine shelled	Per Candy of 531 lbs.	Rs. 20-8-0
Pepper	Tellicherry	Garbled	Per cwt. F.O.B	Rs. 17-0-0
Paddy	Tenali	Kusuma	Per bag of 164 lbs	Rs. 4-6-8
Rice	do.	do.	do.	Rs. 7-0-0
Coir Yarn	Alleppey	Allapat	Per Candy of 672 lbs.	Rs. 60 to Rs. 80
Copra	Cochin	do.	Per Candy of 655 lbs.	Rs. 43-0-0
Coconut Oil	do.	do.	do	Rs. 66-0-0
Jute	Vizianagram	Bimli	Per Candy of 506 lbs.	Rs. 32-0-0
Tobacco	Erode	1st quality	Per Maund of 28 lbs.	Rs. 4-8-0

MARKET REPORTS

Madras—*22nd June 1938*

Cotton Yarn (5 lb. bundles)	R	A	P
80's			
Madura Mills	6	9	0
60's			
Coimbatore Pioneers	4	13	0
Lakshmi	4	14	0
Pankaja	4	12	0
Manchester T. Red "Peacock"	10	0	0
Japanese "Pagoda" (10 lb. bundle)	10	6	0
40's			
Coimbatore Mills (10 lb. bundle)	5	14	0
Madura Mills (10 lb. bundle)	6	6	0
20's			
Coimbatore Mills (10 lb. bundle)	4	4	0
Madura Mills (10 lb. bundle)	4	10	0
Silk Yarn (per lb)—			
Japan White—			
20 × 22	5	7	0
13 × 15	5	10	0
Japan Yellow—			
20 × 22	5	6	0
Canton—			
20 × 22	4	3	0
28 × 32	4	2	0
Japan Thrown Silk—			
White 20 × 22	7	2	0
White 13 × 15	7	0	0
Cotton Piecegoods—			
Grey Mulls—			
"Mongoose Snake" 22 × 22 (B)	6	13	0
"Two Rats" 22 × 22 (B)	6	10	0
Bleached Grey Mulls—			
"Mongoose Snake" 22 × 22 (B)	7	6	0
"Two Rats" 22 × 22	6	4	0
White Mulls—			
1703	9	4	0
Glasgow 9000	9	5	0
1702	8	10	0
9041	8	4	0
LL73	6	5	0
88/888	9	12	0

Metals (500 lbs)—

Yellow metal sheets

	R A P.
"Dittmann"	161 0 0 to 162 0 0
"I. C. C."	160 0 0 to 161 0 0
Copper sheets	210 0 0

Cement—

"Nilgiri" 1 cwt. bag	2 2 0
"Charminar" " "	2 2 0

	R A. P.		R A. P.
"Hand" Brand per cask ...	9 4 0	to	9 6 0
,, per bag of 94 lbs. ...	2 6 0	to	2 8 0

Sugar (per bag of 2 cwt.)

Champaran Indian Sugar ...	24 4 9		
Java	26 0 9		
Swadeshi Sugar	23 4 9	to	23 8 9

Hides and Skins—

Tanned Hides—

Bangalore—8 to 8½ lbs. ...	0 8 6	to	0 8 9
Up-countries ...	0 8 3	to	0 8 6
Coasts—7 to 7½ lbs. ...	0 9 0	to	0 9 3

Tanned Goat—

Good	1 5 0	to	1 6 0
Fair	1 4 0	to	1 5 0
Common	1 2 0	to	1 4 0

Tanned Sheep—

Good	1 6 0	to	1 7 0
Fair	1 4 0	to	1 5 0
Common	1 2 0	to	1 3 0

Oilseeds--

Groundnuts (Machined) (531 lbs.) ...			24 8 0
Castor seed (165 lbs.)			8 12 0
Rice. Boiled Cocanada (160 lbs.) ...			6 12 0
Do. Calcutta-Nagara (164 lbs.) ...			7 6 0
Do. Raw-Rangoon Broken A.1. (220 lbs.)			7 14 0
Jaggery—1st quality—(500 lbs. baram) ...			35 0 0
Pepper Tellicherry pure (25 lbs. maund) ...			4 4 0
Pepper Bydgi do. do. ...			6 6 0
Ginger (Dry) Calicut (Candy of 500 lbs.) ...			95 0 0
Chillies (Guntur) per Candy of 500 lbs. ...			84 0 0
Potatoes (Ooty) Kidney Round Uru per candy of 500 lbs.			29 0 0
Potatoes Big Rasi per candy of 500 lbs.	24 0 0	to	25 0 0
Potatoes Big Podi per candy of 500 lbs.	22 0 0	to	23 0 0
Ghee per tin of 12 visses (Rasipuram) ...			24 4 0
Butter—Tenali special per tin of 12 visses ...			18 14 0
Do. Gudiva do. do. ...			18 4 0
Soapnuts per candy of 500 lbs.	42 0 0	to	45 8 0
Tamarind (Bangalore) per candy of 500 lbs. ...			28 0 0
Corainder seeds Cuddapah do. ...			43 12 0
Do. Guntur do. ...			36 12 0
Hand-pounded rice (Molakulukulu) per bag of 32 measures			8 12 0
Honey (Dindigul) per 1 lb.			0 6 0

Salem—Salem District Chamber of Commerce

	From	To	
Paddy (Samba) ...	4— 6	4— 9	per bag of 55 Madras Measures.
Paddy (Kar) ...	4— 1	4— 4	do.
Rice (Raw) ...	11— 0	11— 4	do.
Rice (Boiled) ...	9— 9	10— 0	do.
Kambu ...	4—13	5— 6	do.
Cholam ...	5— 0	5— 8	do.
Ragi ...	4— 9	4—11	do.
Red Gram ...	8— 8	8—13	do.
Red Gram Dhall ...	11— 0	14— 0	do.
Black Gram ...	9—10	10— 0	do.
Black Gram Dhall ...	9—12	10— 0	do.
Wheat (Kollis) ...	13— 0	13—12	do.
Green Grams ...	8—12	9— 0	do.
Horse Gram ...	5— 4	5— 8	per bag of 55 Madras Measures.
Beans ...	7— 5	7— 9	do.
Coriander ...	3—12	6—14	do.
Mustards ...	12— 8	13— 4	do.

Jaggery per pothi of 10 maunds ...	10 12 0	to	15 4 0
Coffee—Peaberry per maund of 1000 tolas ...	8 4 0	to	8 14 0
Parchment per maund of 1000 tolaas ...	8 4 0	to	8 14 0
Native Coffee per maund of 1000 tolas ...	5 8 0	to	5 12 0
Cambodia 1st crop (Kappas or unginned cotton) per pothi of 100 measures) ...	22 0 0	to	23 0 0
Cotton Seeds (Cambodia) per bag of 100 lbs. ...	1 14 0	to	2 2 0
Galnuts per Kandagam of 100 measures. ...	4 12 0	to	7 12 0
Castor Oil per tin of 38 lbs. ...	4 10 0	to	4 15 0
Gingelly oil per tin of 38 lbs. ...	6 12 0	to	7 4 0

Cocanada—Godavari Chamber of Commerce

Sarva Paddy per bag of 166 lbs. nett. Loose ...	4 1 0
Raw Rice No. 1 (Mill) per bag of 164 lbs. nett Loose	6 2 0
Horse Gram with gunny per bag of 164 lbs. nett. Loose	5 12 0
Green Gram with gunny per bag of 164 lbs. nett. Loose	7 12 0
Black Gram with gunny per bag of 164 lbs nett. Loose	7 0 0
Red Gram Big with gunny per bag of 164 lbs. nett. Loose	7 4 0
Fenugreek with gunny per bag of 164 lbs. nett. Loose.	10 8 0
Mustard with gunny per bag of 164 lbs. nett. Loose.	11 12 0
Coriander Seed with gunny per bag of 164 lbs. nett. Loose.	11 8 0
Castor Poonac with gunny per bag of 164 lbs. nett. Loose.	3 4 0
Cotton Seed per bag of 150 lbs. nett. ...	3 14 0
Cane Jaggery per candy of 500 lbs. nett. ...	30 0 0
Chillies Country Loose per candy of 500 lbs. nett.	75 0 0
Turmeric Country Loose per candy of 500 lbs. nett.	50 0 0
Castor Oil Factory Loose	59 8 0
Groundnut Oil Do.	44 8 0
Ghee No. 1 Do.	280 0 0
Ghee No. 2 Do.	260 0 0

Bangalore—Mysore Chamber of Commerce

Silk:—The demand during the week has been poor and the fresh supplies are moderate. On account of cheap foreign silk no change in local prices.

Kempanaballi per seer of 26½ tolas ...	3 0 0	to	3 2 0
Sidlaghatta Silk per seer of 26½ tolas	3 4 0	to	3 8 0
Closepet do. ...	2 7 0	to	2 10 0
Chickballapur do. ...	2 12 0	to	3 2 0
Kyalanur do. ...	2 14 0	to	3 2 0
Mudavadi do ...	2 7 0	to	2 9 0
Channapatna do. ...	2 4 0	to	2 6 0
Kollegal per maund of 1000 tolas	80 0 0	to	110 0 0

Bangalore—Mysore Chamber of Commerce—(*Contd.*)

	Rs. As. P.		Rs. As. P.
Silk waste per maund of 28 lbs.	8 8 0	to	9 8 0
Tamarind per 210 lbs of 8 mds. ...	10 0 0	to	15 0 0
Coffee-Nilgiri Peaberry per cwt. of 112 lbs.. ...	50 0 0	to	60 0 0
Plantation (P.B.) do. ...	50 0 0	to	52 0 0
Native (P.B.) do ...	38 0 0	to	40 0 0
Niligiri Parchment. do. ...	46 0 0	to	48 0 0
Plantation do. ...	40 0 0	to	42 0 0
Native Flat do. ...	26 0 0	to	30 0 0
Arecanut per 25 lbs.	7 0 0	to	9 0 0
Turmeric per 28 lbs.	3 4 0	to	3 8 0
Pungam or Hongey oil per 28 lbs.	2 15 0	to	3 0 0
Castor seeds per palla of 100 seers	8 0 0		
Groundnut oil per maund of 960 tolas	1 14 0		
Castor oil per maund of 960 tolas	2 12 0		
Groundnut oil cake per ton ...	55 0 0		
Castor oil cake per ton ...	35 0 0		
Javari per palla of 100 seers ...	5 4 0	to	5 8 0
Ragi per palla of 100 seers ...	4 4 0	to	4 8 0

Bombay Millnwners' Association Bombay

PIECE-GOODS.

Grey, Unbleached.—

					Rs. A. P.
Longcloth (Standard Quality ...	37	37½	9	,, ...	0 9 6
,, (Fine Quality ...	44	38	7⅞	,, ...	0 15 0
Shirtings ...	35	38	9	,, ...	0 9 1
,, (Vegetable Quality)	37	37½	9	,, ...	0 8 8

Bombay Millowners' Association, Bombay—(*Contd.*)

					Rs. A. P.
Leopard Cloth ...	43	38	11½	,, ...	0 9 2
Dhoties (upto ½ in. nakhi Border) ...	32	9	1¾	,, ...	0 10 3
,, Calcutta, ⅜ in. P.B.	44	10	1 11/16	...	0 14 5
Drills ...	29½	40	13½	,, ...	0 7 10
Domestics ...	35	40	13¼	,, ...	0 8 0
,, ...	35	40	12	,, ...	0 7 10
Salita ...	40	66	25	,,	Not quoted.
Chadars ...	59	6	2¼	,, ...	0 9 9

White Bleached.—

Longcloth ...	34	40	Per Piece ...	10 10 0
Drill ...	27	42	,, ...	7 15 3

Yarn.—

4s (All Waste)	...Per lb....	0 3 7
6½s ,, ...	... ,, ...	0 3 9
8½s	... ,, ...	0 4 8
10½s	... ,, ...	0 5 0
12½s	... ,, ...	0 5 4
16s	... ,, ...	0 6 2
20s	... ,, ...	0 6 11
24s	... ,, ...	0 7 7
32s	... ,, ...	0 9 1
40s	... ,,	Not quoted
60s	... ,, ...	1 0 3
80s	... ,, ...	1 5 10

TRADE OF MADRAS PORTS

(To nearest lakh of Rupees)

MADRAS PORT.

Commodities..	Imports April 1937 to Jan. 1938	Imports Feb. 1938	Commodities.	Exports April 1937 to Jan. 1938	Exports Feb. 1938
Grain, Pulse & Flour ...	73.9	5.6	Oil Seeds ...	171.7	20.2
Machinery & Mill Work ...	132.0	14.1	Tea ...	.5	.03
Metals ...	96.0	8.4	Raw Cotton ...	110.1	2.2
Cotton Yarn ...	47.7	1.7	Cotton Yarn ...	5.7	.5
Other Cotton Manufactures ...	94.8	4.3	Other Cotton Manufactures ...	207.9	19.5
Oils chiefly Mineral ...	145.8	16.9	Fruits and Vegetables ...	22.9	3.6
Hardware ...	39.2	3.5	Coffee ...	1.8	.1
Provisions ...	35.1	2.9	Tobacco ...	75.5	5.6
Paper & Paste ...	48.9	3.3			
Chemicals ...	34.9	2.6			
Artificial Silk yarn and Manufacture ...	34.3	1.2			
Manures ..	23.8	3.9			
Tobacco ...	17.3	1.7			
Silk Manufacture ...	23.7	2.3			
Soap ...	2.7	.3			

VIZAGAPATAM

Mineral Oils ...	.2	.03	Oil Cakes ...	20.3	1.2
Paper ...	1.1	.03	Groundnuts ...	46.1	20.2
Chemicals ...	4.7	.4	Manganese Ore	62.4	4.9

Commodities.	Imports April 1937 to Jan. 1938	Imports Feb. 1938	Commodities,	Exports April 1937 to Jan. 1938	Exports Feb. 1938
COCANADA					
Mineral Oils ...	158.0	30.7	Groundnut	42.1	7.7
Metals ...	.8	.2	Castor Seed ...	18.9	.2
NEGAPATAM					
Sugar ...	1.9	.1	Rice ...	10.6	.8
Betelnuts ...	6.5	.7	Groundnut ...	40.0	9.8
TUTICORIN					
Cotton Twist & Yarn ...	11.4	1.6	Oil Cakes ...	8.7	1.0
Metals ...	4.8	.5	Tea ...	64.8	3.9
Paper ...	3.1	.4	Cotton ...	53.4	3.2
Cement ...	1.2	...			
Iron & Steel ...	8.5	.5			
COCHIN					
Paper ...	5.5	1.0	Tea ...	224	13.5
Mineral Oils	103.6	11.9	Rubber ...	204.0	3.9
Sugar ...	2.3	...	Coir Yarn & Products ...	69.7	4.7
CALICUT					
C. P. Goods ..	1.6	.8	Tea ...	77.5	9.4
Paper ...	1.6	.1	Raw Cotton ...	81.9	.3
Manures ...	3.4	.5	Pepper	1.4	2

FOREIGN AND COASTING TRADE

MADRAS PROVINCE

Merchandise Imports from and Exports to Foreign Countries

	Imports 1936 R	Imports 1937 R	Imports 1938 R	Exports 1936 R	Exports 1937 R	Exports 1938 R	
January ...	137,38,866	143,11,157	222,01,632	257,01,991	315,48,992	286,80,051	... January
February ...	120,88,470	110,87,550	220,34,055	248,39,917	372,91,609	310,51,101	... February
March ...	135,00,819	143,76,715	296,46,619	302,33,604	480,04,037	438,55,666	... March
April ...	113,44,676	235,27,846	206,77,387	269,15,992	351,61,208	284,46,598	... April
May ...	125,94,566	255,10,528	236,92,211	288,29,920	336,50,600	307,15,005	... May
June ...	139,74,674	235,19,653	218,55,047	284,96,509	348,16,106	302,45,497	... June
July ...	147,65,640	282,82,961	...	264,28,296	373,45,513	...	... July
August ...	118,61,537	229,18,142	...	315,64,479	289,72,685	...	... August
September ...	113.05.835	312,77,968	...	282,09,176	310,33,428	...	... September
October ...	143,21,283	191,48,802	...	240,54,306	276,34,179	...	... October
November ...	112,01,240	224,76,438	...	246,07,848	256,54,502	...	... November
December ...	115,12.005	181,99.513	...	265,38,618	253,45,214	...	... December

External Coasting Import and Export Trade (Indian and Foreign Merchandise) of Madras Province

(Burma included in January—March and November—December)

	Imports 1935 R	Imports 1936 R	Imports 1937 R	Exports 1935 R	Exports 1936 R	Exports 1937 R	
January ...	176,36,060	115,21,163	179,53,613	90,44,227	85,73,253	100,90,144	... January
February ...	201,48,617	225,51,418	135,97,802	90,94,201	78,11,873	74,66,668	... February
March ...	184,88,593	210,60,466	226,42,283	87,54,041	80,61,703	96,87,603	... March
April ...	61,71,585	83,67,195	80,61,102	67,32,259	47,82,179	91,15,166	... April
May ...	76,43,143	77,07,302	72,71,028	82,27,877	60,64,205	8,22,969	... May
June ...	76,66,494	108,73,119	132,69,348	102,64,508	44,01,881	59,98,376	... June
July ...	76,92,346	66,91,570	104,41,462	44,81,014	50,65,684	46,18,492	... July
August ...	55,11,222	99,86,164	93,15,567	54,95,524	55,94,760	70,46,372	... August
September ...	66,51,497	51,14,515	72,58,936	38,54,661	44,32,044	47,07,120	... September
October ...	66,78,771	64,56,004	61,40,536	49,37,204	59,89,842	63,82,223	... October
November ...	178,24,204	122,49,765	81,29,636*	67,63,244	65,32,097	55,43,058	*... November
December ...	116,60,502	118,82,480	79,75,652*	58,48,223	59,58,213	56,87,737*	... December

* Burma figures not included.

Coastal Traffic In India

The following are the extracts from the communication addressed by the Southern India Chamber of Commerce to the Government of India on Coastal Traffic in India.

My Committee are strongly of opinion that a Bill that seeks to do real good to Indian shipping must follow the well known lines followed by the most advanced countries in the past for protecting indigenous shipping from organised foreign competition. The best method followed by them, apart from other facilities provided, is that of progressive reservation, and India cannot do better than follow the same method.

History :—

There have been many circumstances in the past which made protection of that kind as well as a considerable degree of Government control of shipping on the coastal trade not to speak of overseas trade absolutely necessary. Many were the occasions when important Indian shipping companies succumbed to freight cutting practised by the older and stronger rivals. It is absolutely necessary to prevent recurrence of such disasters by measures like fixation of minima fare and freight, penalisation of private concessions, deferred rebates, secret refunds and so on. Conversely business has often suffered by the total absence of competitive conditions in the shipping trade so much so that ship-owners combined and raised freight and fares extravagantly. Such a practice should be prevented by the fixation of maxima fares and freight. There is no doubt that such fixation should not be done at the entire discretion of the Government for the time being but should be arrived at after due deliberation and consultation with the interests concerned and preferably through the agency of a Shipping Board.

Present Position :—

Besides the need for helping Indian-owned vessels to come into existence there is the imperative need for manning them with trained Indians. In recent years there has been an attempt to train batches of Indians in the " Dufferin " but it is a well-known fact that foreign shipping companies have shown no sympathy for them and have employed comparatively a negligent number of the cadets. Government of India have consistently pleaded helplessness to insist on a minimum number being taken by those companies, which again shows the deplorable effects of lack of Government control over the coasting trade. It should be noted that the total annual amount spent for passage of officers, both Central and Provincial, Civil and Military, comes to Rs. 55 lakhs The Indian Stores Department paid £ 230,000 freight for stores and materials to British shipping companies in 1930-31 and over £ 30,000 a year in 1934-37. The P & O Company has been receiving a postal subvention for the carriage of mails for the last 95 years amounting to about £ 30,000 besides £ 10,000 for the carriage of parcel mails. There are then the most unconscionable clauses in the Bills of Lading of the shipping companies which bear on the face of them the stamp of dictator's voice and not the terms of one who recognises the existence of competitve conditions. There are for instance the following typical clauses :—

" Weight, contents, value when shipped unknown "

" Delivery by the company of packages externally in good condition and received shall be conclusive evidence of delivery of full weight and contents."

" Any claim for short delivery of or damage done to goods and all other claims whatsoever, to be presented at Company's option at port of discharge or at ports of Calcutta or Bombay and at no other port. No claim for short delivery, short landing, non-delivery, total loss, or any other claim whatsoever, in respect to the within mentioned goods will be entertained unless made in writing within one month from the date of arrival of the vessel."

" The Company shall not be liable for loss, damage or delay directly or indirectly resulting from any of the following causes or perils, howsoever occasioned: viz. Act of God, King's enemies; piracy; robbery; theft or pilferage with or without violence on Board or elsewhere and whether by persons in the service of the company or not; arrests and restraints of princes; rulers or people; riots and civil commotions; strikes, lockouts or other labour disturbances; baratry; jettison; collision; fire; Petroleum vapour; breakage or leakage; vermin; sweat; rust; temperature of holds; climate; rain; injurious effect of other goods, whether by contact or otherwise howsoever; perils, dangers and accidents of the sea, rivers or navigations; unseaworthiness, unfitness, or defect of any kind in hull, machinery, tackle, equipment, Engines or appurtenances at the commencement or any stage of the voyage (provided reasonable means have been taken by the Company at the port of shipment to prevent same): any act, neglect or dafault whatsoever of pilot, master, officers, mariners, engineers, stevedores or other servants or agents whatsoever of the company on board or elsewhere, in the management navigation or otherwise of the vessel or of any other vessel belonging to the company or in the loading, stowing, carriage, unloading or delivery of the cargo."

"In all cases and under all circumstances the company's liability shall absolutely cease when the goods are free of the vessels's tackle and thereupon the goods shall be at the risk for all purposes and in every respect of the shipper or consignee."

Proposals :—

An attempt to protect Indian shipping would be quite incomplete if the above hardships were not attended to and the present Bill dces not seek to do more than touch a fringe of the problem. It is not a matter on which Government might be scared by the "discrimination" sections in the Government of India Act since there is no more discrimination in it than there is in any policy of protection of Indian industries which Government of India are pursuing. Section 736 of the British Merchant Shipping Act, 1894 confers power upon the Legislature of a British Possession, not only of a Dominion, by any Act or Ordinance to regulate its coasting trade under certain stipulations. Moreover, after the London Shipping Conference in 1929, in which India also participated full powers have been given in the British Commonwealth Merchant Shipping Agreement 1931, to the different units of the British Commonwealth to deal with their own shipping. The fact that the Dominions have not been slow to take the benefit of the Agreement is clear from the statement of Mr. Walter Runciman, President of the Board of Trade during the debate on the British Shipping (Assistance) Bill in February 1935 that "the Dominions have their own shipping policy which is nationalistic in character and they have not been very ready to harmonise their views with our own." In the circumstances it is open to Government to take up the Bill and modify it so as to meet the barest repuirements of Indian shipping and Indian coasting trade above referred to and my Committee would request Government to take such a step if they have any concern for promoting the good will and prosperity of people further.

Meanwhile I am directed to make the following observations on the clauses of the Bill :—

Clause 2 :—My Committee fully appreciate the idea of the Select Committee in including voyages from India to Burma or Ceylon and *vice versa*, under the definition of 'coasting trade' as was suggested by them in their letter to you dated 19-1-1937. Such a comprehensive definition has already been adopted for other purposes such as for levy of light dues.

Clause 4 :—The stipulation for Rs. 10,000 deposit with the Central Government and for Rs. 1 lakh working capital is welcome in the case of power driven vessels but would be too hard for sailing vessels of 250 tons and above. Sailing vessels are fast dwindling down in number and they are far from being in affluent circumstances. It would be desirable not to impose the burden on them. The words "being of less than 250 tons registered net tonnage" might be omitted.

Clause 5 :—Having regard to conditions of shipping on the Indian coast it is as much necessary to fix a maximum freight and fare as to fix minimum freight and are. The clause should be suitably amended.

Transport

S. I. R.

Facilities to Passengers

Train Halts :—

The following train halts are opened for passenger traffic :—

1. Sirugamani between Perugamani and Pettaivaytalai.
2. Ariyamangalam between Trichi Town and Golden Rock.
3. Paravai Gate between Samayanallur and Vilangudi.

Stores News :

Arrangements are now complete for a Bulletin sale of condemned carriage and wagon bodies, boiler tubes, etc. available at Golden Rock Workshops.

An order for about 46 tons of copper rods to I.R.S. Specification No. N. 17-34 was placed with a Calcutta firm to import and supply by the end of July 1938.

With a view to meeting urgent requirements the South Indian Railway recently purchased in Madras about 8 tons of Broughton Co's copper rods.

INDO-CEYLON

ROUND TOUR TICKETS.

Ist Class Round Tour Tickets at an inclusive rate of Rs. **30**/- per passenger for both the Sea and Rail journeys between Cochin and Colombo are issued by the following two routes, available for two months from the date of issue.

(*a*) Colombo by Bibby Liner to Cochin—Podanur—Dindigul—Madura—Dhanushkodi—Talaimannar Pier—Colombo, and

(*b*) Colombo by Bibby Liner to Cochin—Podanur—Erode—Trichinopoly Junction—Manamadurai—Dhanushkodi—Talaimannar Pier—Colombo,

or VICE VERSA.

These tickets are issued at Shoranur, Podanur, Erode, Trichinopoly Junction, Pollachi and Madura stations on S. I. Railway, at Colombo Fort and Maradana stations on C. G. Railway and by **Messrs. Harrisons & Crosfield Ltd., Cochin,** and **Carson & Coy., Ltd., Colombo.**

For particulars please apply at stations: to the **Chief Commercial Superintendent, S. I. Railway, Trichinopoly;** or **Messrs. Harrisons & Crosfield Ltd., Cochin.**

S. I. R.

Transport

RAIL BORNE TRADE OF MADRAS PROVINCE

(IN TONS)

CEMENT.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	3100.5	5207.0	...	1976.2	1790.9	...
February	3101.5	3552.7	...	1544.4	1300.9	...
March	3687.9	5935.0	...	1636.9	1065.9	...
April	3981.0	4577.6	...	1422.9	947.6	...
May	5573.5	4629.3	...	823.9	809.7	...
June	4280.0	4484.1	...	419.3	1825.5	...
July	3232.9	2314.9	...	170.6	1855.8	...
August	3429.7	3525.1	...	1658.9	1836.4	...
September	3791.6	2054.8	...	1433.7	1938.0	...
October	3703.7	...	...	1388.2	...	...
November	1932.5	...	...	1511.3	...	...
December	3950.6	...	...	1646.6	...	...
	43765.4	..	...	15632.9	...	...

COFFEE.

	1936	1937	1938	1936	1937	1938
January	26.9	79.6	...	52.1	65.8	...
February	51.8	113.0	...	49.8	70.2	...
March	41.5	138.8	..	47.9	24.8	...
April	119.7	160.2	...	40.5	157.4	...
May	53.5	74.5	...	55.7	34.6	...
June	66.2	101.6	...	46.3	33.4	...
July	76.9	82.1	...	41.6	30.6	...
August	36.3	72.2	...	55.5	25.8	...
September	34.3	88.7	...	47.3	33.4	...
October	47.0	...	...	39.1	...	...
November	35.6	...	...	36.1	...	...
December	60.1	...	...	59.5	...	...
	649.8	...	...	571.4	...	...

RAW COTTON.

	1936	1937	1938	1936	1937	1938
January	571.4	468.9	...	902.3	988.6	...
February	416.7	742.9	...	875.9	759.7	...
March	461.7	1326.9	...	1457.2	1360.3	...
April	946.9	...	...	1907.9	...	...
May	1931.1	..	...	2164.1	...	...
June	2262.6	...	...	1800.5	...	...
July	2233.1	...	...	1287.2	...	...
August	601.1	...	...	567.0	...	...
September	291.5	...	...	432.1	...	...
October	240.5	...	...	464.9	...	...
November	209.4	...	...	428.6	...	...
December	364.4	...	...	499.7	...	...
	10530.4	...	...	12787.4	...	... ...

(IN TONS)

COTTON YARN.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	896.6	657.4	...	900.6	943.2	...
February	878.6	659.0	...	487.7	922.1	..
March	861.6	625.2	...	1004.3	1023.8	...
April	846.1	742.2	...	680.3	755.5	...
May	824.5	659.4	...	659.9	653.7	...
June	934.2	583.8	...	803.7	850.2	...
July	967.5	603.9	...	1004.2	1268.0	...
August	795.1	851.4	...	860.8	1248.3	...
September	777.2	828.7	...	955.1	1293.5	...
October	821.4	...	...	776.3	...	...
November	646.4	...	...	784.5	...	...
December	783.6	...	...	1331.4	...	...
	10032.8	..	...	10248.8	...	...

COTTON PIECE-GOODS.

	1936	1937	1938	1936	1937	1938
January	1118.9	1489.5	...	614.5	634.5	...
February	889.1	1371.8	...	566.6	576.8	...
March	700.1	1239.8	...	643.2	922.9	...
April	984.9	1418.4	...	606.6	670.2	...
May	1045.7	1495.6	..	558.4	648.8	...
June	1127.9	1298.7	...	507.8	581.2	...
July	1045.5	1577.5	...	531.1	535.4	...
August	1060.4	1536.6	...	471.8	605.8	...
September	1121.7	1794.2	...	517.1	651.5	...
October	1282.2	...	...	637.8	...	...
November	1497.2	...	...	707.3	...	...
December	2025.4	...	...	645.8	...	...
	13899.0	..	...	7007.8	...	...

PADDY.

	1936	1937	1938	1936	1937	1938
January	3910.0	1931.2	...	226.6	280.0	...
February	3586.1	5730.7	...	176.7	97.9	...
March	4912.5	6154.3	...	124.8	97.2	...
April	5578.1	4911.5	...	151.7	110.5	...
May	4442.4	4924.7	..	255.1	127.8	...
June	2915.5	2988.1	...	149.9	70.5	...
July	1866.2	1742.1	...	121.2	68.1	...
August	1953.7	2010.3	...	81.1	43.1	...
September	1906.4	3297.4	...	116.0	42.9	...
October	2334.7	...	...	76.3	...	...
November	2053.9	..	..	129.7	..	...
December	706.5	...	..	244.0	...	..
	36166.0	...	...	1853.1	...	...

RICE.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	4001.3	5267.2	...	13699.3	13881.2	...
February	5250.6	6112.0	...	12417.0	13341.3	...
March	4602.7	5852.2	...	13238.8	14486.2	...
April	4150.9	6820.8	...	10947.9	11567.6	...
May	3525.1	3535.3	...	11044.7	7248.1	...
June	3380.5	4366.0	...	10933.5	10091.7	...
July	3457.2	5688.0	...	11200.2	9160.5	...
August	2985.6	5797.4	...	10999.1	9043.4	...
September	3177.3	7243.9	...	9334.4	11927.7	...
October	4838.9	...	...	6911.6	...	...
November	7335.5	...	...	9836.5	...	...
December	5111.1	...	...	3427.7	...	...
	51816.7	...	...	123990.7	...	...

RAW HIDES.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	1150.6	1849.8	...	117.9	106.5	...
February	930.1	1675.6	...	99.7	60.8	...
March	1179.5	1843.9	...	128.6	63.6	...
April	1140.9	1012.3	...	80.5	95.6	...
May	751.8	2823.2	...	91.6	56.6	...
June	1180.5	779.2	...	135.9	52.4	...
July	1391.2	1502.4	...	105.8	56.7	...
August	1540.6	1546.8	...	112.2	76.8	...
September	1419.7	1050.3	...	77.8	90.9	...
October	1503.7	...	...	69.4	...	...
November	1455.8	...	...	81.4	...	...
December	2627.7	...	...	112.4	...	...
	16272.1	...	...	1213.2	...	...

RAW SKINS.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	789.7	893.6	...	86.8	66.9	...
February	754.6	781.1	...	72.8	57.9	...
March	1020.8	931.5	...	94.9	82.2	...
April	899.3	989.9	...	60.1	82.3	...
May	904.5	834.7	...	36.9	65.6	...
June	964.1	826.1	...	46.8	45.4	...
July	994.3	1024.2	...	82.3	58.8	...
August	810.3	980.1	...	61.4	43.6	...
September	786.5	918.8	...	49.0	35.4	...
October	918.6	...	...	48.7	...	...
November	926.2	...	...	57.6	...	...
December	712.1	...	...	84.9	...	...
	10481.0	...	...	782.2	...	...

LEATHER.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	246.9	256.2	...	41.9	79.8	...
February	176.7	199.4	...	36.4	58.7	...
March	215.3	236.0	...	40.5	62.6	...
April	197.3	243.3	...	18.1	45.5	...
May	209.9	262.6	...	57.1	58.3	...
June	191.6	196.4	...	50.3	60.3	...
July	196.9	312.8	...	54.2	68.0	...
August	172.6	214.9	...	60.0	90.3	...
September	207.8	199.7	...	57.6	80.9	...
October	182.0	...	...	95.8	...	...
November	207.9	...	...	82.9	...	...
December	235.0	...	...	65.3	...	...
	2439.9	...	...	660.1	...	...

IRON AND STEEL GOODS.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	6883.8	7101.2	...	2416.7	2497.6	...
February	6713.4	6720.7	...	1896.9	3992.7	...
March	9061.1	8839.8	...	2265.5	2380.2	...
April	6372.9	7795.2	...	2180.6	2386.0	...
May	8491.3	6640.9	...	1792.7	2329.6	...
June	7385.5	7594.8	...	1674.2	1712.0	...
July	7331.7	8138.7	...	2534.5	2348.9	...
August	8537.5	4983.2	...	1820.9	1807.9	...
September	6914.4	5065.9	...	1443.9	1752.0	...
October	6856.3	...	...	1769.4	...	...
November	6703.9	...	...	1622.0	...	...
December	7536.4	...	...	1673.6	...	...
	88788.2	...	...	23090.9	...	...

OIL CAKES.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	2457.8	2069.4	...	133.1	231.0	...
February	1485.1	2402.6	...	184.2	118.0	...
March	3493.9	1242.8	...	166.9	95.0	...
April	1861.5	1963.8	...	179.4	93.2	...
May	1929.4	1970.9	...	182.1	123.3	...
June	2520.4	1530.7	...	143.1	61.5	...
July	1632.0	2226.1	...	130.4	193.6	...
August	1641.3	2427.8	...	88.6	58.9	...
September	2015.6	1459.0	...	108.3	37.7	...
October	1878.9	...	...	68.4	...	...
November	1769.4	...	...	79.9	...	...
December	2614.8	...	...	128.1	...	...
	25300.1	...	...	1592.5	...	...

VEGETABLE OILS.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	1012.4	851.6	...	807.9	1117.8	...
February	798.9	846.3	...	913.6	1405.4	...
March	823.2	791.6	...	980.1	873.3	...
April	726.3	1010.3	...	763.9	1674.8	...
May	586.9	635.3	...	1142.4	1518.2	...
June	554.9	635.3	...	899.9	1311.4	...
July	631.2	378.3	...	796.9	1285.4	...
August	684.4	411.8	...	726.4	1318.4	...
September	517.2	408.5	...	743.9	1127.2	...
October	528.9	...	...	815.6	...	...
November	807.1	...	...	753.0	...	...
December	928.8	...	...	1017.7	...	...
	8600.2	...	...	10361.3	...	...

GROUNDNUT.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	2052.4	11012.9	...	4370.9	15062.8	...
February	637.6	1406.3	...	2552.8	3514.8	...
March	520.7	1231.0	...	1368.4	2009.7	...
April	1293.2	806.2	...	1983.0	1609.2	...
May	666.9	181.9	...	959.6	507.7	...
June	803.8	355.0	...	1728.8	726.1	...
July	721.4	39.5	...	3383.7	1878.8	...
August	535.1	578.7	...	3515.6	1242.3	...
September	140.7	52.2	...	895.4	874.3	...
October	2701.7	...	...	1997.0	...	...
November	9462.1	...	...	3230.9	...	...
December	2407.0	...	...	7699.8	...	...
	21947.6	...	...	33685.9	...	...

CASTOR SEED. (IN TONS)

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	570.7	1958.5	...	4.4	45.0	...
February	1204.7	2465.3	...	57.8	85.2	...
March	1621.2	5023.3	...	29.3	154.1	...
April	3015.5	4054.6	...	9.3	100.1	...
May	1277.0	2142.9	...	.3	39.4	...
June	1384.2	741.9	...	22.8	16.1	...
July	2189.4	1099.3	...	21.7	...	...
August	1970.2	771.2	...	18.5	...	...
September	462.6	2141.7	...	35.5	153.9	...
October	406.4	...	...	52.8	...	...
November	1572.3	...	...	35.8	...	...
December	1392.8	...	...	28.2	...	...
	17067.0	...	...	316.4	...	...

RAPE AND MUSTARD.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	170.0	393.4	...	3.4	6.8	...
February	510.8	497.4	...	88.5	10.6	...
March	300.1	279.1	...	271.3	142.7	...
April	467.9	158.9	...	8.7	196.4	...
May	218.3	232.9	...	.3	203.5	...
June	41.8	40.2	...	40.9	240.3	...
July	131.9	8.6	...	45.7	178.1	...
August	59.9	68.5	...	4.8	75.8	...
September	64.8	58.5	...	8.5	51.9	...
October	168.2	...	...	13.3	...	...
November	47.5	...	...	5.5	...	...
December	94.6	...	...	10.7	...	...
	2275.8	...	...	501.6	...	...

COTTON SEED.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	1029.7	1304.3	...	61.9	36.8	...
February	920.8	744.5	...	21.6	24.2	...
March	1621.1	1498.8	...	42.3	4.2	...
April	2237.4	2711.4	...	6.9	12.0	...
May	1567.2	2586.4	...	3.3	6.6	...
June	1568.8	1807.4	...	3.1	3.3	...
July	1726.4	1878.8	...	2.5	5.5	...
August	1377.8	2158.0	...	45.0	6.1	...
September	1290.5	1495.6	...	5.5	1.4	...
October	1343.6	...	...	6.2	...	...
November	807.5	...	...	2.6	...	...
December	1288.3	...	...	14.6	...	...
	16779.1	...	...	215.5	...	...

GINGELLY SEED.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	3662.2	2618.5	...	4.2	3.7	...
February	2956.2	3686.5	...	1.8	8.9	...
March	1181.7	946.5	...	2.1	38.8	...
April	296.1	377.1	...	4.9	35.8	...
May	484.5	961.2	...	16.9	72.6	...
June	552.8	369.6	...	1.0	6.4	...
July	250.1	225.3	...	3.9	14.5	...
August	718.7	741.8	...	.8	2.2	...
September	1426.4	2040.6	...	14.9	22.8	...
October	7396.1	...	...	19.4	...	...
November	1331.2	...	...	2.4	...	...
December	2839.8	...	...	1.2	...	...
	23095.8	...	...	73.5	...	...

SALT.

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1928
January	1383.1	1325.0	...	4749.8	5376.8	...
February	646.5	1179.9	...	3989.0	4641.1	...
March	2883.1	2029.2	...	5308.3	3270.0	...
April	3304.2	3658.9	...	8820.3	5137.8	...
May	3846.9	3567.3	...	5880.8	4967.4	...
June	88.8	316.1	...	4644.0	4477.4	...
July	118.4	7.5	...	3964.5	2843.6	...
August	15.0	.7	...	3380.0	2416.5	...
September	29.6	1.4	...	4942.1	2653.9	...
October	194.5	...	...	5018.3	...	...
November	410.1	...	...	5440.4	...	...
December	881.9	...	...	6058.2	...	...
	13802.1	..	...	60798.2	...	...

SUGAR—REFINED.

	1936	1937	1938	1936	1937	1938
January	3420.8	11465.2	...	392.3	599.3	...
February	3621.8	10814.7	...	702.4	250.0	...
March	4629.3	7798.2	...	869.9	546.9	...
April	2789.6	7011.3	...	797.7	749.7	...
May	2526.5	6349.9	...	821.5	722.6	...
June	1709.8	3379.2	...	466.8	787.4	...
July	1996.2	3965.6	...	762.4	795.8	...
August	2340.8	4356.3	..	702.4	651.8	...
September	2813.1	4984.4	...	472.4	479.9	...
October	3442.8	...	...	936.5	...	...
November	4721.9	...	...	905.9	...	...
December	5931.5	...	..	724.2	...	...
	39943.8	...	...	8554.4	...	...

JAGGERY AND MOLASSES.

	1936	1937	1938	1936	1937	1938
January	378.1	378.9	...	599.2	1104.7	...
February	849.2	700.8	...	1149.7	2571.9	...
March	1096.5	847.9	..	3562.9	3223.6	...
April	1281.5	...1014.3	..	3575.3	3226.6	...
May	1132.0	1097.3	...	1563.9	1956.4	...
June	1012.2	367.8	...	1067.3	1056.6	...
July	936.8	469.7	...	1300.0	1357.2	...
August	457.3	256.7	..	723.6	987.5	...
September	363.0	301.2	...	850.3	1042.1	...
October	298.6	..	..	796.6	...	..
November	228.9	...	...	749.5	...	..
December	416.9	...	..	692.3	...	...
	8451.0	...	..	16630.6	...	...

TEA.

	Export 1936	Export 1937	Export 1938	Import 1936	Import 1937	Import 1938
January	44.0	55.9	...	143.2	303.9	...
February	52.6	64.7	...	170.4	263.4	...
March	41.4	60.9	...	179.9	311.7	...
April	68.2	93.6	...	193.2	317.6	...
May	57.1	89.9	..	226.7	330.9	...
June	59.3	63.7	...	232.4	333.6	...
July	66.4	50.3	...	263.3	340.3	...
August	59.6	71.9	...	245.0	699.3	...
September	59.8	88.1	...	221.2	347.1	...
October	92.5	...	..	305.2	...	...
November	32.1	...	...	304.6	...	...
December	90.7	...	..	344.5	...	...
	723.7	...	...	2829.6	...	...

RAW TOBACCO. (IN TONS)

	1936	1937	1938	1936	1937	1938
January	183.1	104.1	...	665.3	1018.4	...
February	431.0	287.3	...	1196.6	1014.4	...
March	290.2	425.8	...	1358.3	1413.1	...
April	300.2	396.4	...	1673.2	1175.5	..
May	178.0	419.9	...	1705.6	1579.1	...
June	208.6	170.8	...	1160.5	1143.4	...
July	184 6	151.5	...	903.7	1093.6	...
August	172.5	139.8	...	1194.9	886.7	...
September	156.5	143.6	...	685.0	774.1	...
October	192.0	...	...	879.2	...	...
November	179.7	...	..	1904.8	...	...
December	55.7	..	...	1225.7	...	...
	2532.1	...	...	14552.8	...	...

WOOD AND TIMBER.

	1936	1937	1938	1936	1937	1938
January	4175.9	5747.8	...	430.6	1075.8	..
February	3756.8	9462.4	...	845.7	777.1	..
March	4837.4	7738.4	...	470.8	1489.1	...
April	6207.6	5717.4	...	917.3	916.1	...
May	7401.8	7343.5	...	742.8	1157.7	...
June	4370.9	7882.0	...	688.4	1164.4	...
July	2816.4	5363.3	...	572.5	1354.5	...
August	6460.8	2870.5	...	1186.0	1327.7	...
September	1945.8	1958.5	..	904.2	1190.7	...
October	1197.9	...	...	984.6	...	...
November	2245.2	...	...	743.2	...	...
December	3571.0	...	...	941.9	...	...
	48987.5	..	..	9428.0	...	...

	Import 1936	Import 1937	Import 1938	Export 1936	Export 1937	Export 1938
January	51.4	93.1	...	117.2	145.0	...
February	41.0	117.4	...	163.2	132.8	...
March	83.8	69.4	...	162.5	168.7	...
April	55.8	80.8	...	142.1	59.0	...
May	26.3	56.8	...	42.1	69.1	...
June	36.9	45.9	...	63.5	18.6	...
July	16.1	16.3	...	38.1	64.4	...
August	23.8	55.1	...	36.6	48.5	...
September	14.0	38.9	...	70.9	126.3	...
October	41.8	...	...	50.2	...	...
November	40.7	...	...	96.6	...	...
December	63.2	...	...	98.6	...	...
	494.8	...	...	1031.6	...	...

The following are the approximate rates of Shpiping Freight from Madras to Continental ports.

ARTICLES	Rate s.	Rate d.	Per Ton Cwts.	Per Ton Cft.
Asbestos in bags	60	0	20	...
Barytes crushed in bags	32	6	20	...
Blood Meal in bags	35	0	20	...
Bones handbroken	55	0	20	...
Bonemeal and Crushed bones	40	0	20	...
Bonesinews in pressed bales	55	0	...	50
Bonesinews in bags	55	0	8	...
Cardamons in cases	77	6	...	50
Carpets	†77	6	...	50
Cashewnuts in cases	67	6	...	50
Castor Oil in cases	67	6	20	50×
Castor Oil in casks	80	0	20	...
Chrome Shavings in bales	40	0	...	50
Chrome in bags	30	0	20	...
Cigars	†77	6	...	50
Cocoanut Cakes in bags	35	0	20	...
Coffee	†60	0	18	...
Coir Yarn	60	0	...	50
Condiments	†77	6	...	50
Copra in bags	57	6	12	...
Corundum	32	6	20	...
Cotton	43	0	...	50
Cotton Lint in pressed bales	60	0	...	50
Cotton Seed	55	0	20	...
Cotton Waste Non-oily in pressed bales	50	0	...	50
Cotton Yarn	52	6	...	50
Cow Tail hair in bales	47	6	...	50
Cow guts (dry), in cases and casks	50	0	20	50×
Cuddappah Slabs in crates	30	0	20	...
Divi Divi in bags	50	0	20	...
Divi Divi in packets 20 lbs nett	40	0	20	...
Finished Leather	†72	6	...	50
Ginger in bags	55	0	12	...
Gingelly Seed	40	0	20	...
Goat Hair	42	6	...	50
Granite Stones (polished) up to 2 cwts. each	35	0	20	...
Handkerchiefs (Madras)	†77	6	...	50
Hemp	42	6	...	50
Hides (tanned, dry, in bales)	†72	6	...	50
Hide cuttings in pressed bales	40	0	...	50

ARTICLES	Rate s.	Rate d.	Per Ton Cwts.	Per Ton Cft
Hide Fleshings	45	0	...	50
Horns, Cow, Buff Deer ond Elk bags	65	0	20	...
Horns, loose	*35	0	20	...
Horns (Buff and Cow) in packets of 40 lbs. nett	*35	0	20	...
Horn Tips in bags	67	6	20	...
Horn Tips in packets of 40 lbs. net	*55	0	20	...
Horn Meal	42	6	20	...
Illmenite Sand in bags	35	0	20	...
Indigo in cases	†77	6	...	50
Kapok in pressed bales	55	0	...	50
Magnesite in drums	40	0	20	...
Metal Scrap in bags (other than Aluminium)	35	0	20	50×
Mica in cases valued at £200 and under per ton	†77	6	20	50×
Mica in cases valued at over £200 per ton	3%	0	ad	val
Mica Splittings	†67	6	20	50×
Mica Waste in bags or cases	†40	0	20	50×
Molasses liquid in steel drums	40	0	20	...
Myrabolams in bags	40	0	20	...
Myrabolams in packets of 56 lbs. net	*35	0	20	...
Nux Vomice in bags	50	0	20	...
Nux Vomico in packets of 40 lbs. net	*40	0	20	...
Oils (Vegetable) in cases	67	6	20	50×
Oils (Vegetable) in casks	80	0	20	...
Oils (Fish) in drums and casks	85	0	20	...
Oils (essential)	1%	0	ad	val
Oil (Groundnut) in Iron or Steel Drums	45	0	20	...
Palmyra Fibre in pressed bales or ballots	60	0	...	50
Palmyra Fibre in hanmade ballots or bundles	60	0	10	...
Pepper in bags	67	6	16	...
Personal Effects	60	0	20	50×
Redwood (as tonnage)	35	0	20	...
Rice	57	6	20	...
Rice Bran in bags	45	0	20	...
Rubber in case	67	6	...	50
Rubber Scrap in bags	60	0	20	...
Sandalwood	60	0	11	...
Seekai in bags	40	0	20	...
Senna Leaves in bales	52	6	...	50
Shooks (Beer) on or under deck as Ship's option	50	0	20	...
Silk Waste in bales	55	0	...	50
Silver	1%	0	ad	val
Skins, Tanned or Dry in bales	†72	6	...	50
Skins Wet, Salted or pickled in casks	†82	6	...	50
Steatic in bags	35	0	20	...
Tallow in tins	67	6	20	...
Tamarind in casks	77	6	20	...
Tamarind in bundles	82	6	20	...
Tea	†62	6	...	50
Teak Planks up to 5′ lengths	50	0	20	50×
Teak Planks over 5′ lengths	60	0	20	50×
Teak Logs over 10′ lengths	77	6	20	50×
Teak Scantlings and Palings up up to 10′ lengths	50	0	20	50×

ARTICLES	Rate s.	d.	Per Ton Cwts.	Cft
Teak Scantlings and Palings over 10′ lengths	60	0	20	50 ×
Timber in Logs	77	6	20	50 ×
Timber in planks, scantlings ...	77	6	20	50 ×
Tin Clippings in pressed bundles	45	0	20	50
Tobacco in Casks	†50	0	...	50
Tobacco in bales	†55	0	...	50
Turmeric	55	0	16	...
Valuable Cargo	3%		ad	val
Wax (Bees or otherwise) ...	55	0	20	...
Woolen and Cotton Cuttings ...	55	0	...	50
Wool	47	6	...	50

† Subject to 10% Rebate to signatories to the M. H. F. C. Agreement.
× At Ship's Option. * As broken stowage.

Finance

Treasury Bills Position

(In Thousands of Rupees)

Week-ending		Treasury Bills Sales	Average Discount on accepted tenders per annum			Total outstandin gs. Opening balance on 2nd April 1937 Rs. 15,00,00
1938		RS.	RS.	A.	P.	RS.
June	2 ...	82,00	1	6	5	17,97,25
"	9 ...	1,00,00	1	6	0	17,97,25
"	16 ...	1,00,00	1	4	0	17,97,25
"	23 ...	1,00,00	1	2	3	17,97,25
"	30 ...	1,00,00	1	0	8	17,97,25
July	7 ...	1,49,75	0	15	4	18,47,00
"	14 ...	1,50,00	0	14	0	17,97,00
"	21 ...	1,50,00	0	12	11	17,47,00

Currency Notes issued in India and Burma

(In Crores of Rupees)

	1935	1936	1937	1938
January ...	184	194	204	...
February ...	183	194	208	...
March ...	186	195	208	...
April ...	186	195	208	...
May ...	186	196	207	...
June ...	187	198	208	...
July ...	190	201	212	...
August ...	192	202	213	...
September ...	193	203	213	...
October ...	194	203	214	...
November ...	195	202	214	...
December ...	194	201	214	...

Gold Exports from India

(In Thousands of Rupees)

	1935	1936	1937	1938
January ...	4,41,60	2,71,71	2,38,62	1,54,39
February ...	4,78,22	2,63,89	1,15,09	1,99,35
March ...	5,15,39	2,08,42	1,19,26	80,67
April ...	1,04,28	2,79,88	1,83,27	1,24,04
May ...	1,94,63	3,28,06	1,47,13	1,10,36
June ...	1,01,61	2,79,58	81,52	70,17
July ...	6,04,26	4,04,83	2,40,27	...
August ...	6,76,96	2,25,74	1,44,01	...
September ...	3,71,91	2,21,31	1,44,81	...
October ...	3,04,63	2 19,07	1,30,46	...
November ...	3,96,16	3,58,28	1,17,57	...
December ...	2,77,62	1,55,71	1,65,73	...
Total ...	44,22.27	33,15,94	18,27,74	...

CURRENT AND TIME DEPOSITS OF SCHEDULED BANKS

(In Lakhs of Rupees)

Month.	Current Deposits. 1936	1937	Time Deposits. 1936	1937	Total. 1936	1937	Percentage of Cash to liabilities. 1936	1937
January ...	122·9	132·8	99·4	102·6	220·9	235·6	18·11	9·81
February ...	120·6	131·3	100·9	103·4	221·3	235·6	18·24	10·93
March ...	120·5	133·2	101·3	104·7	221·9	238·9	18·79	12·02
April ...	120·9	135·54	101·0	105·63	223·5	...	18·80	...
May ...	122·5	134·51	101·7	107·38	222·4	...	13·10	...
June ...	122·9	133·19	100·2	106·95	223·2	...	16·78	...
July ...	126·6	133·64	100·1	108·42	227·9	...	16·63	...
August ...	128·9	134·00	100·8	110·27	229·4	...	17·04	...
September ...	129·0	132·95	101·2	110·18	230·1	...	14·50	...
October ...	131·4	134·28	99·5	109·45	230·8	...	14·03	...
November ...	132·3	135·66	99·9	108·98	232·9	...	13·13	...
December ...	131·6	..	101·3	...	229·6	...	10·34	...

MADRAS CLEARING HOUSE RETURNS

(In Lakhs of Rupees)

Year.	Amount.	Year.	Amount.				
1918—19	25,48	1928—29	65.73	April '37 ...	12,66	January 1938 ...	8,67
1919—20	33,95	1929—30	82,19	May ...	7,64	February " ...	8,83
1920—21	55,79	1930—31	59,36	June ...	7,28	March " ...	9,59
1921—22	33,54	1931—32	43,97	July ...	10,23	April " ...	9,32
1922—23	45,13	1932—33	48,85	Aug. ...	2,83	May " ...	8,72
1923—24	55,41	1933—34	53,19	Sep. ...	10,27	June " ...	7,77
1924—25	55,96	1934—35	56,22	Oct. ...	9,24	July " ...	9,10
1925—26	56,89	1935—36	69.23	Nov. ...	765		
1926—27	54,53	1936—37	91,39	Dec. ...	9,25		
1927—28	59,79						

Purchase of Sterling by Government or Reserve Bank of India (000's of £)

	1936	1937	1938
January ...	5,300	9,588	3,270
February ...	2,595	8,130	4,945
March ...	3,145	4,155	4,327
April ...	3,570	5,480	...
May ...	1,000	95	...
June ...	2,225	985	...
July ...	2,555	425	...
August ...	1,430	753	...
September ...	3,565	80	...
October ...	5,000	3,035	...
November ...	4,000	650	...
December ...	8,314	570	...
Total ...	42,699	33,946	12,542

Total Purchase of sterling in 1933 ... 27,900
" " " " 1934 ... 47,159
" " " " 1935 ... 28,961

Visit of Sir James Taylor

Sir James Taylor, Governor and Mr. M. B. Nanavati, Deputy Governor, Reserve Bank of India visited the Chamber on Wednesday, the 20th July, 1938, and the following memorandum was presented to them:—

1. *The Role of the Reserve Bank in a Banking Crisis*:—The Southern India Chamber of Commerce, which represents wide business interests of various descriptions, is naturally seriously concerned over the development that has taken place since the suspension of business by one of the scheduled banks, *viz.*, the Travancore National and Quilon Bank, Ltd. The panic created in the public mind has resulted in unexpected and unjustified withdrawals of large sums of money from even sound banks. No bank, however sound, can cope with abnormal situations without external help. The banking institutions and the public in this country welcomed the establishment of the Reserve Bank of India in the hope that it would stand by sound and well-managed banks in an hour of crisis, by extending to them necessary accommodation, on the backing of securities on which the banks would make their own advances to the borrowers, provided of course the Reserve Bank was satisfied about their soundness. But the banks and the public have been disillusioned by the attitude adopted by the Reserve Bank towards the scheduled banks. In the absence of reasonable expectation of receiving timely help from the Reserve Bank, the scheduled banks and other banks have considerably curtailed credit in order to be entirely self-sufficient till the crisis is definitely blown over. The mercantile community is badly affected by this development and there is a virtual paralysis in the trade and commerce of this part of India. The Chamber would therefore welcome a definite pronouncement from the authorities of the Reserve Bank of India in regard to the attitude which that Bank would assume when similar crises arise in future, for the future of the banking system of the country will largely depend upon that attitude and the Reserve Bank's preparedness to help the banking institutions of the country in their hour of need.

If a scheduled bank is in liquidation, the Reserve Bank can give some relief to the commercial and other interests by making to the liquidator some advances against the sound assets of the bank to meet partially the demands of the creditors, the extent of such advances of course depending upon the valuation of the sound assets. If, for instance, even four annas in the rupee can be advanced as the first dividend to the creditors, when the Reserve Bank is satisfied that the assets are clearly worth not less than eight annas in the rupee, it will go a long way to give relief to the public concerned. We suggest this for the consideration of the Reserve Bank.

2. *Nature and extent of accommodation to scheduled banks*:—

(a) *Securities eligible for purchase or re-discount*:—The nature and extent of the accommodation which the Reserve Bank is prepared to give to the scheduled banks is also a matter of concern to the Chamber. It is represented to the Chamber by its member banks that it has been practically impossible for them to get any advance facilities from the Reserve Bank by reason of an overtechnical and strained interpretation placed upon the provisions of section 17 of the Act. Demand promissory notes of their constituents and their own promissory notes supported by documents of title to goods in their possession, which were offered as security for advances, were not accepted by the Reserve Bank, by virtue of such construction of the provisions of the Act. The commercial banks never anticipated that difficulty and there was no hint of it in our discussion with you last year. If there is any ambiguity in the wording of the provisions of the Act, the Chamber feels that immediate steps must be taken by the Reserve Bank itself to get the Act amended suitably.

(b) *Limits of Accommodation*:—Again, the limits set by the Reserve Bank to re-discount bills of even the limited description adopted by the Reserve Bank are too narrow to be of any practical help to the banks. The limit of twice the statutory deposit made under section 42 is wholly inadequate even for normal requirements and is of really no value during a crisis. The Chamber hopes that sympathetic consideration will be given to this question.

(c) *Investigation of Credit of Parties*:—There is then the question of the Reserve Bank satisfying itself about the credit of the parties to the bills offered as security and which it is prepared to rediscount. The joint stock banks are wholly opposed to the Reserve Bank conducting this investigation through the Imperial Bank, which is a competing commercial bank. The interests of the scheduled banks will be seriously prejudiced by an investigation through the Imperial Bank. The Chamber is clearly of opinion that the Reserve Bank must set up its own machinery to conduct such investigation.

In this connection, the Chamber wishes to urge the need for the Reserve Bank opening more local branches in important centres. The question was prominently agitated on the floor of the Legislative Assembly during the passage of the Bill in that Chamber.

3. *Rediscount of Agricultural Bills*:—The Chamber will be glad to have some definite information about the steps taken by the Reserve Bank to re-discount agricultural bills and the work done by the Agricultural Credit Department of the Bank to advise the concerned banks in regard to the nature of the bills which the Reserve Bank is prepared to rediscount.

We now desire to refer to a few matters which relate to the safety of the depositors and the soundness of banking in general.

4. *Banks incorporated in Indian States*:—Banks incorporated in Indian States or foreign Settlements in India should not be allowed to open branches in British Indian Provinces, except under certain safeguards. They may be either required to be registered again under the Indian Companies Act in British India or to take out a license from the Reserve Bank or some other authority prescribed by the Government of India for opening a branch in British India. Having regard to the large number of small banks incorporated outside British India opening offices in British India and attracting deposits from the poor and middle classes, this precaution seems to be absolutely necessary.

5. *Branches of Banks incorporated in British India*:—The question of branch banking is one of considerable importance for the development of joint stock banking in this province. While the Chamber is opposed to any restrictions being placed upon branch activities of the banks, it is of opinion that wasteful competition should be eliminated in order to bring about healthy development of branch banking; the Reserve Bank may give a lead and advise scheduled banks on the matter. The Chamber would welcome an expression of views by the Reserve Bank on the subject.

6. *Overtrading*:—The Chamber understands that the Reserve Bank is of opinion that there is overtrading by banks in this province. If that is so, the Chamber would welcome a clear enunciation of the views of the Reserve Bank in regard to the limits of proper trading and also to give a lead in regard to the convention that should be set up with reference to the proportion of the liquidity of assets to be maintained by the banks.

7. *Ratio*:—Before we conclude, we must refer to the question of Rupee Ratio which vitally affects agricultural and commercial interests of the country. The Chamber understands that several of the autonomous Provincial Governments, constituted under the Government of India Act, 1935, have decided to address the Central Government in this matter. The Reserve Bank has to report under section 55 (2) of the Reserve Bank of India Act to the Government of India its views on the question of monetary standard. The Chamber regrets the inaction of the Reserve Bank in this matter. The present ratio of 18 pence is detrimental to commercial and agricultural interests, has unduly kept down the purchasing power of the masses, and cannot be maintained without a huge loss to this country as must be clear to the Reserve Bank authorities by this time from the way in which they have been compelled to raid their sterling resources.

REPLY:

Replying to the memorandum Sir James Taylor said that with regard to the relations of the Reserve Bank with the scheduled banks the object of the Reserve Bank was to promote and ensure the development of sound banking in India. There were two different types of occasion on which banks might require outside assistance: the first when owing to general trade and business activity the general credit pool was exhausted and required to be supplemented, and the second where owing to some particular or local cause either a single bank or banks in a particular area required assistance even though there were plenty of funds available in the country as a whole. He wished to emphasize that the facilities for extending credit set out in the two sub-sections to which reference was made in the Chamber's memorandum were primarily intended to apply to occasions of the former character. There were obvious serious practical risks in accepting such security on occasions of the latter type and the more appropriate manner for meeting such occasions was for banks who considered that they were likely to be affected to maintain a liquid position and to hold Government securities which were always marketable. For such emergencies also it was necessary that scheduled banks should keep in close touch with the Reserve Bank in good times as well as in bad, keep it fully informed of their position and take its advice from time to time for the conduct of their business. It would then be easier for the Reserve Bank to maintain the general efficiency of banking conditions and come to the help of any bank which might happen to be in trouble.

The legal difficulties to which reference has been made did not seem to him to be so material as was made out. They afforded, in his opinion, the Reserve Bank all reasonable latitude for extending credit so long as it was satisfied that the security was real. It was also incorrect to say that the bill habit was not in existence in India, whatever might be the conditions in Madras; the consolidated weekly return of the scheduled banks' position was evidence to the contrary, and he had little doubt that if business became so active that there was any real need to afford general credit against this type of security there would be a material increase in the total.

He therefore considered that there was no need at present to contemplate extending the legal facilities provided by the Act. As regards control of scheduled banks he would much prefer that instead of resorting to legislation on each occasion when trouble arose the policy of the Reserve Bank should be to build up sound traditions and conventions as in the case of the English banking system by individual and confidential discussions with each scheduled bank. It is true that weekly statements are received from the scheduled banks but they do not give the information necessary to enable the Reserve Bank to judge as to the essential soundness of a particular bank or the soundness of the securities of its constituents. Close and systematic contact between the Reserve Bank on the one hand and each scheduled bank on the other should put the Reserve Bank in a better position to decide on the latter point without the necessity of asking information from any third party. Such as its agent the Imperial Bank, but when bills are suddenly offered to it, it was quite obvious that it could not accept them without scrutiny and in the absence of an investigating organisation of its own, which would be entirely out of the question as it would have to cover the whole of India, it had to rely on the enquiries made by its agent.

It was incorrect to say that there was any rigid limit fixed for accommodation to scheduled banks. This was obviously a matter for adjustment in individual cases according to the view taken by the Reserve Bank as to the actual needs of the would-be borrower and the reliability of the security which he offered. Though ordinarily orthodox banking considered that 30% to 40% of the liabilities should be kept as quick and readily realisable liquid assets, it was impossible to lay down any fixed percentage which could be regarded as constituting overtrading. There were many factors which had to be taken into consideration such as the proportion which demand liabilities bore to time liabilities, the number of branches, and the nature of its business. It had also to be remembered that the nervousness of the depositor was likely to be greater in areas in which the banking system was only beginning to be established and that this would require the maintenance of a rather more liquid position than otherwise. All these factors made it obvious that the question was one of individual discussion between scheduled banks and the Reserve Bank.

As regards banks incorporated in Indian States and operating in British India, it would be advisable to wait before deciding to what extent they should be treated separately and whether any safeguards could or should be devised for British Indian interests. The Reserve Bank was giving its attention to this matter. It had also addressed Government regarding remittance facilities and the promotion of facilities for agricultural credit by the building of warehouses, etc.

On the question of the exchange ratio of the rupee, as there was no time for discussion Sir James Taylor said that he was not in a position to make any statement.

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Prices and Production

(BY MR. P. P. SARADHY, B.A., B.L.)

The latest bulletin of the *City Bank of New York* gives us an insight into the methods employed in America for the balancing of the market position in almost all commodities of everyday use. There was apparently overproduction leaving surplus stock which they wiped off as the first measure of industrial economy. To realise this object they reduced industrial activity by *one-third* thereby it is stated that production was scaled down even below the level of consumption. Still there is much cutting down of purchases. As in the case of heavy dealers, so in the case of retail trade there has been no improvement since one year ago. Even in agriculture there is decline of 9 per cent in farm cash income in January and judged by the standard it is anticipated that in the first half of this year there would be decrease of about 15 per cent. That is because raw produce has considerably gone down in price. Still the industries are not forward enough to increase the output. Large purchases are kept at bay. They are, as they are bound to, *to pulse the demand on the part of consumption.* In other words it must be a race on equal terms among the consumer, the manufacturer and the trader. They run on parallel lines of progress.

For the present the outlook is gloomy and heavy products have not been ordered commensurate with and in proportion to the completion of old contracts. So in building contracts (23 to 35 per cent) there is decline, as also in steel industry. This leads us to the solution of the ultimate problem of adjustment of the prices in such a mannef that within the orbit of the purchasing power or the consumer they should be so fixed that the producer will have a fair margin of profit for himself. This operation cannot in the nature of the changing times, be based on the standard used even one year ago. The bulletin says correctly "in fact there are no fixed parties; hence they cannot be calculated by reference to the past. The parties are constantly changing, under the influence of changes in productive methods, in the quality of the products, in consumer's preferences on the number of people entering or leaving each occupation and other factors."

The theory now accepted as gospel truth here and there that there should be a curtail of the production in order to facilitate the fixing of parity prices, is of very doubtful merit. It does not take sufficient account of the tendencious nature of the producer, the nature of the soil, the inherent instincts and traditions of the community (and they are not universal). Further "prices" is aptly described as the traffic policeman of the conomic system, directing capital and laboure down one road and away from another, warning producers how they should plan their operations, encouraging or discouraging consumption and thus balancing supply and demand. If equitable prices are not obtainable what is the indication? It indicates that there are "too many producers in one group and too few in another or that one group is refusing to trade on fair terms with another, or the business equilibrium is otherwise disturbed." Can prices find their own value? Do they find fluctuations as easily in one as in the other? The answer is clear that the country of produce and outside countries must be able to find consumers of the produce; the consumers need not belong to one type of community. There are no produce which besides consumption as food in one town, cannot be converted in any a different form, when the former finds excess. It is the best social economic adjustment that finds ways and means in as many possible forms as consumption, in which case types of produce in one form would come again to the consumer in another form. Here *agriculture and industry act as complements of each other and the scientists duty is to guide humanity in the said direction.* That is the prophetic wisdom of sound thinkers like Sir Josiah Stamp and Lancelot Hogber. If steps were taken in the said direction, the consumer would be able to purchase all his requirements at a rational price, the producet could obtain a rational profit. The capitalisr must act as handmaids to the social adjustment in full faith that the specialist-scientist either in revelations of what is good for strength and vitality-building or prevention of disease or in cheap feasibility of conversion of one stuff into another is a very necessary adjunct and aid to national growth and development. If internal icientific and economic adjustment of the kind sndicated *supra* is the safest and surest method, then it follows the prices would find their level and one need not for the present bank upon foreign trade. Of course, an investigation in these lines is

sure to indicate the barometer in the fluctuation in the difference from time to time between the prices during scarcity and during seasons of abundance. Artificial fixation of price is by no means a rational or scientific method. So is also artificial restriction of the area of produce cultivation. If these acts have been induced by conditions on the west, there is no parity of conditions in this country. A lot of misguided agitators are now for *restriction of the area of cultivation of tobacco, jute and sugar cane.* It is entirely suicidal. We give the handle for exploitation by these restrictions by the foreigners. These restrictions on production areas have been governed by considerations of foreign trade. Let there first be a determination by a competent Economic Board as to the quantum of indigenous production which after all possible utilisation in this country of many provinces leaving and must leave out of India. Otherwise this policy would go against the principle of economic social adjustment referred to above. The consequence otherwise would be as adumbrated by the National City Bank of New York lessened employment to producers and a higher cost of living to consumers. What is then the earthly use of "balanced prices" maintained by restrictions? These restrictions in the factory production or cultivation leads to society disturbance and labour troubles which are of late very frequent in this country. The trading companies n the consumers' goods industries would surely show a reduction scale of profits for want of enough of consumers.

Finding ways and means of our raw product being made by conversion to more useful you or may take it 'fashionable' forms and articles is one of the essentials of increasing not merely the purchasing power of the industrial consumer but increasing the profit of the producer. Take *tobacco.* The *Director of Agriculture, Madras,* states in the latest report that there has been a large increase of Virginia tabacco at Guntur. The venue of cigarette manufacture has changed from England to India. There are a number of factories in North India for manufacture of the article and there is decline of foreign imports. The prices ranged from Rs. 180 to Rs. 200 per candy. Other classes also rose in value. The extra best quality had found purchasers in England. As association has been formed for the said purpose, and they also grade the commodity. Periodically they send samples to the High Commissioner, London. On the said samples some higher profits were realised 20 to 30 per cent more than what they got last year. But it is *sorry spectacle* that out of 100 to 180 rupees paid to the exporter only *30 to 90 rupees go to the grower.* It is because *of the middlemen and import duties* in England.

Proceedings of Public Bodies

Southern India Chamber of Commerce, Madras

Duty on export of Palmyra jaggery from Travancore:—

The attention of the Chamber was drawn to the excessively high rate of tariff value levied by the Government of His Highness the Maharajah of Travancore on the export of palmyra jaggery from Travancore while the ruling market price in and outside the State is round about ₨ 3-8-0 per cwt. The tariff value imposed by the State on export of jaggery is ₨ 12-8-0 per cwt. and the export duty of 5 per cent. ad valorem is levied on that tariff value, with the result that sugar factories which depend on that source of supply have now been put to great loss and inconvenience. In its letter to the Government of India the Chamber has pointed out that the State by such artificial means has defeated the purpose of the Interportal Convention which fixes the maximum export duty of a State at 5 per cent. either because it wanted to give a gesture of protection to the local industry or because the traffic will bear it. The Chamber has also urged that if the export duty of a State was fixed at 5 per cent. with a definite purpose it should not be open for any State to circumvent and defeat its purpose by such indirect means. The Chamber has therefore requested the Government to examine the position with a view to rectify the anomaly.

Andhra Chamber of Commerce, Madras

Control of Coastal Traffic of India:—

In addressing the Government of India on the above subject the Committee of the Chamber stressed upon the necessity of developing a full-fledged mercantile marine for India which could only be accomplished by complete reservation of coastal traffic and any attempt which fell short of that aim would not benefit Indian coastal traffic. The present Bill only seeks to regulate competition between India and foreign shipping companies. The Committee added that they failed to understand how registration could in any way by itself help Indian shipping. The Committee further were of opinion that the enforcement of a minimum working capital of one hundred thousand rupees would drive out of existence small concerns and the minimum working capital might be reduced to ₨ 50,000 for existing companies. The Committee observed that the provision for cash deposit with the Government was entirely unnecessary and would serve no useful purpose. The Committee welcomed the proposal for the fixing of minimum rates for passenger and freight traffic by Government and further they suggested as complimentary to that the fixing of maximum rates also.

Fall in the value of the Rupee:—

The Assembly has re-committed the Bill to the Select Committee.

The Committee of the Chamber in their communication with the Government of India on the question of the fall in the value of the rupee suggested that the fall in the rupee ratio is only symptomatic of the unsatisfactory position of India's foreign trade. It is a known fact they added, that unless India has a favourable merchandise balance of 60 to 70 crores of rupees annually exchange will go against India. The Committee stressed upon the imperative necessity of the Government to restore either the sixteen pence rupee or allow the rupee to find its own level.

International Convention for the safety of life at sea:—

The Committee of the Chamber have considered the proposal of the Norwegian Government for amending Articles 26 and 27 of the 1929 International Convention for the Safety of Life at sea. The Committee observed that they were not satisfied if compulsory installation of radiotelegraph on cargo ships under 1,600 tons would not be imposing a heavy burden on the shipping industry and also the Committee urged that coastal shipping should be exempted from the purview of the amendment.

Salem District Chamber of Commerce, Salem.

Corruption among the Railway staff:—

The subject of eradicating the system of tips given to the railway staff was considered. The meeting appealed to the public not to give tips to the railway employees in the parcel and goods departments, where the custom was largely in vogue. The South Indian Railway Company was requested to direct their servants not to receive tips even when offered. It was also requested that notices be put up in the goods and parcel offices advising the public not to offer tips and requesting them to bring to the notice of the railway authorities if the staff of the railway demanded tips. Complaint books were suggested to be kept in the above places so as to allow of cases of the demand of tips or other inconveniences caused to the public to be noted for perusal and action by the railway administration. The Chamber proposed to issue hand-bills asking the public not to give tips to railway employees and appealing for the co-operation of all concerned to rid the railways of the existing corruption. The railway was also asked to distribute leaflets appealing for public co-operation to put an end to the tips system.

Bombay Chamber of Commerce, Bombay

Indian Companies Act, 1913, 277 (5):—

In May, 1938 the Associated Chambers of Commerce of India asked for the views of this Chamber in regard to the interpretation of section 277 (5) of the Indian Companies Act, 1913, with reference to the use of the word "Limited."

Section 277 (5) of the Act reads as follows:—

"Every company to which this section applies shall if the liability of the members of the company is limited cause notice of that fact to be stated in legible characters in every prospectus inviting subscriptions for its shares and in all billheads and letter paper notices, advertisements and other official publications of the Company in British India and to be affixed on every place where it carries on business.

The Committee informed the Associated Chambers that the point had already been considered by them and in replying to a member of this Chamber they had advised that whilst the general opinion was that by the addition of the word "Limited" in the name of a company there was sufficient disclosure to warn the public that they were not dealing with a partnership of unlimited liability, they considered, however that the wording of the act left room for doubt. In view of this the Committee had included a recommendation to Government for clarification of this point in a letter they had addressed to Government setting out their views on the Indian Companies (Amendment) Act, 1936.

Indian Income-tax Act, 1922: Section 18 (2).

In December, 1937, a case was brought to notice of the Chamber through the Associated Chambers concerning the interpretation of the above section of the Indian Income-tax Act. The facts were as follows:—

An employee was engaged by a Company on the 1st of July, 1935 on a salary of ₨ 500 a month. The total amount paid to the employee by the Company during the year 1935-36 was under ₨ 5,000 and the tax was deducted at source at the appropriate rate of 6 pies plus surcharge. The Income-tax Officer maintained that the correct rate was 9 pies in the rupee on the ground that the employee's salary was at the rate of ₨ 6,000 a year and he therefore became liable under the higher scale. The Income-tax Officer called upon the Company to pay this difference. The Company paid under protest and an appeal for refund was rejected on the ground that the tax must be calculated on the income of an employee for a whole year and not a part of the year for which he had worked under one employer. The Punjab Chamber of Commerce took up the matter with the Central Board of Revenue on the ground of the inequity of placing on a employer the responsibility of taking into calculation sources of salary other than that paid by the employer. The Board of Revenue replied to the effect that an employer had no duty to ascertain the salary paid to an employee by another employee but if he was aware of any such salary it must be included in the company's estimate of the employee's income. The Company maintained that they had no information whatever of the employee having received any salary prior to his joining their service.

Information has now been received from the Associated Chambers that the Central Board of Revenue has instructed the Income-tax Officer to refund the amount charged in excess.

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News And Notes

Marketing Improvements :—

Under the auspices of the Imperial Council of Agricultural Research Government of India have been introducing rules and regulations for the grading, marking and marketing of agricultural produce and products in India. In pursuance of that scheme Government of India passed the Agricultural Produce (Grading and Marketing) Act 1937 and have also prescribed rules for the grading and marking of grapes, oranges, tobacco, eggs and raw hides and skins. Rules under the Act have yet to be laid down for vegetables, Dairy produce, coffee and the remaining fruits. Apart from that, Government are at present considering whether the operation of the Act should not be extended to other products such as fruit product (juices, marmalades, etc.,) Raw cotton of certain varieties, Ata and rice of specified varieties. Merchants interested in any of the above commodities may communicate to the Southern India Chamber of Commerce or to the Government direct their views on the scheme, the difficulties of the problem and the grades and marks they recommend for each commodity. It may be mentioned that where grading and marking regulations have been introduced both buyers and sellers are profited and transactions have been made much easier and smoother. The Government of Madras have under consideration the extension of the operation of the Commercial Crops Marketing Act which at present is enforced only in Tiruppur for the organisation of the cotton market. It is understood that surveys have been held for organising the market for groundnut in Cuddalore and Tobacco in Guntur. In Guntur the rules of the Imperial Council of Agricultural Research for grading and marking have already made goodprogress in the tobacco market.

Woe for Rubber :—

What with natural rubber, synthetic rubber and reclaimed rubber there is a new competitor in the field from tomotoes. The Council for National Research, Britain. has found tomtaoes skin rubber as good as Para rubber

New Shipping Service :—

The Osaka Syosean Kaisya of Japan is to resume from July 1938 the Japan-America-Europe Scheme Service once a month which was formerly suspended by them in 1933. A change in the route from Suez to Panama and the reduction in the period of transit from 50 days to 42 days, are noteworthy. It will touch ports in three continents from Dairen in Asia to Hamburg in Europe.

Artificial Wool :—

The Scia company of Italy has sold to the Mori company of Japan the patent right in the Orient of production and sale of artificial wools from milk and from refuse of soya beans. Artificial wool is sold only at a third of the price of real wool but will be susceptible to acids.

Whale Oil :—

The first International Whaling Control Agreement in the Antartic is due to expire by the end of July 1938. It prohibits catches of certain kinds of Whale, restricts the size and prohibits it in certain areas and prescribes the whailing period. The total output for the last season ending with 15th March 1938 was 548,122 klgms. (excluding sperm oil which in the last season accounted for 8,860 klgms.) Norway, England, Germany and Japan are the foremost countries interested in the production of whale oil.

Gold Export from India :—

After a brief suspense of gold export from India it has recommenced now in the shape mostly of sovereigns instead of bullion which is perhaps indicative of the reduced stock of the distress gold in the country The country's demand for stoppage of export of gold has so far fallen on deaf ears. It is however refreshing to see that some of the Local Governments have now awakened to the distress caused in the country by the fictitious exchange value of the rupee and are contemplating an attack upon the Government of India for a suitable reduction.

Japan has redoubled her efforts to conserve the increase in stocks of gold in order to encourage production of gold from imported ores. The Japanese Government have raised the purchase price for gold from 3.75 yen to 3.85 yen per gram. That would bring the Japanese market level with the international market.

The Manchuko Government has created a fund of 1 million yen for encouraging gold production.

Japan Cycles :—

With a view to improve the quality of their cycles the Japanese Bicycle Export Guild have placed under control with effect from 21st May last, export of bicycles to all markets except China, Manchuko and the Quantung territory. One interesting feature of the control is that it extends to non-guild members also. It remains to be seen whether the present hold of the Japanese manufacturers on the world markets will loosen side by side with their attempt to improve quality, as it is a notorious fact that Japanese articles stood on prices.

B.C. Rate :—

A representation was made by the Southern India Chamber of Commerce to the Madras Exchange Banks Association drawing their attention to the unconscionable levy of interest for about 22 days on every draft at a time the airmail had shortened the distances to 5 days between India and the Continent. In the case of the American bills the charge is made for a period of 34 days. The Exchange Banks have now reduced the interest collected on interest bearing bills from London to 12 days.

Paper Duty :—

In pursuance of the recommendations of the Indian Tariff Board on the Indian Paper Industry Government of India have decided to remove with effect from 25th June 1938 the revenue surcharge so far levied upon protective duties imposed on certain kinds of paper The following are the revised duties :

	Former Duty	*Present Duty.*
43 Wood pulp	Rs. 56-4 per ton	Rs. 45/- per ton.
44 (1) Printing paper (excluding chrome marble, flint, poster & stereo), all sorts which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent of the fibre content.	One anna and three pies per lb.	One anna per lb.
44 (3) Writing paper (a) ruled or printed forms (including letter paper with printed headings) and account and manuscript books and the binding thereof.	One anna and three pies per lb. or 18¾% *ad val.* whichever is higher.	One anna per lb. or 15% *ad val.* whichever is higher.
(b) All other sorts.	One anna and three pies per lb.	One anna per lb.

New Insurance Act :—

Indian Insurance Companies in Burma have already deposited necessary securities with the Government of India. The new Act makes it obligatory on them to make fresh deposits with the Government of Burma. A piquant situation has arisen by some companies failing to deposit and could not therefore carry on business in Burma. Does the Indo-Burma Trade Agreement exist only to save British capitalists in Burma.?

During the Assembly discussion on the Insurance Bill it was urged from the Opposition that there should be a clause providing for compulsory insurance with Indian Companies only of property under Government control but the Hon'ble Law Member left it to be considered by the Local Governments. Now the Bombay Government are likely to give the lead and if they decide so, business of 1 lakh premium in a year would go to Indian companies. Of course, one of the conditions precedent should be that there could be no re-insurance with foreign companies. Will other Provinces take the cue?

Spanish Duties :—

The Barcelona Government of Spain have temporarily reduced import duties as follows from area controlled by them.

Tariff No. and Article.	Rates of Duty (including surtax). Former	Now
	Gold Pesetas per 100 kilogs.	
1335 Rice, unhusked and rice waste	11.00	1.10
1336 Rice, husked	22.00	2.20
1938 Peas	2.31	0 27
1350 Pulse meal	2.20	0.33
1351 Bran	3.30	0.27
1382 ‡ Coffee in the bean, not roasted, not the produce of Fernando Po, ...	75 00	20.00
1383 ‡ (a) Coffee, roasted, ground ; chicory roasted or not and other similar products	100.00	30.00
† (b) Chicory root, desiccated not roasted ...	3.00	0.25
1386 ‡ Black pepper, cloves and other spices and imitations thereof	175.00	35.00
1387 ‡ Tea and imitations thereof .	250 00	25.00
1404 Fodder, not specially mentioned	0.82	0.27
1405 Oilcake, cakes and pastes of oleaginous seeds for feeding livestock	0.27	0.11

† To enjoy the duty reduction, the chicory must be consigned to a State-controlled factory.

‡ While the present reduced duties remain in force, the temporary surtax of 10 gold pesetas per 100 kilogs, levied on these items by the Law of 24th December 1912, shall be suspended.

Exports to Japan :—

Conditions in Japan are fast becoming difficult to procure exchange permits. Japanese importers can by no means foretell whether the Ministry of Finance would sanction permits and it should be understood that an import permit is not an exchange permit and that possession of the latter constitutes no guarantee that the latter will be granted. In the circumstances a confirmed irrevocable letter of credit offers the most satisfactory assurance that the Japanese importer has fully complied with the regulations and that payment will be duly forthcoming for orders accepted for shipment to Japan.

New Industrial Area :—

Information has been received in the Chamber that a special area known as Azamabad is being prepared between Hyderabad and Secunderabad for development of industries. The area will have the advantage of

well-laid out roads, cheap electric power, unfiltered and filtered water supply and efficient lorry transport system. No income-tax is charged on any industry. Nominal customs duty is charged on imported and exported articles and in case where Government find it necessary to exempt these, exemptions are granted. Free advice and assistance, if required, will be given by the Commerce and Industries Deparment of the Nizam's Government. For the introduction of new industry in the State financial assistance would be recommended to Goverment by the Director of Commerce and Industries of the State. Small plots in the area of not more than 2 acres will be sold on hire purchase system.

Empire Telegraphic Flat rate :—

A uniform scale of charges for Empire foreign telegrams came into effect on the 25th April 1938. Previously foreign telegrams were charged according to distance viz. Rs. 2-9-0 for Canada, Rs. 2-4-0 for Australia, Rs. 1-15-0 for South Africa, Re 1-3-0 to Straits Settlement and Aden and 0-14-0 for Great Britain. From the above date the rate has been uniformly reduced to 13 as. per word for ordinary private telegrams sent to Empire countries. The rate for CDE telegrams has been reduced to 8½ as. per word, for deferred telegrams to 6½ per word, and DLT Rs. 7-0-6 for 25 words with 4½ as. for each extra word.

Forthcoming Exhibitions :—

Name and Place.	Date.
59th Canadian National Exhibition Toronto.	26th August to 10th September 1938.
The Mysore Dasara Exhibition 1938, Mysore.	24th September to 9th October 1938.
Name and Place.	Date
SixthChampionship Drg Show at Poona,	5th August to September 1938

Taxation Case

BARNES (Inspector of Taxes) V. HUTCHINSON.

In the Court of Appeal—2nd June 1938.
(Before the Master of the Rolls, Scott and Clauson, L. JJ.)

Income-tax—Dividend on preference shares in foreign company—Dividend paid partly out of moneys which had borne United Kingdom tax—Whether shareholder taxable on the whole dividend—Income-Tax Act, 1918, Schedule D, Case V.

This case in the High Court is reported at 16 A.T.C. 363.

The respondent was the owner of a number of 8 per cent. preference shares in an Indian Company. The Indian company held shares in two British companies and received in respect of them dividends from which was deducted United Kingdom income-tax at the standard rate, the profits of the British companies having borne such tax. The respondent received payment of the dividend on his preference shares in the Indian company without any deduction for tax. It was agreed that 44.12 per cent., of such dividend was paid out of the taxed dividends received from the British companies. An assessment was made on the respondent under Case V, Schedule D, Income-Tax Act, 1918, on the footing that the whole of such dividends was liable to tax. It was contended on behalf of the respondent that such part of the dividend as was paid out of profits and gains which had already borne United Kingdom income-tax could not again be subjected to the same tax and that the assessment should be reduced accordingly. The General Commissioners reduced the assessment as claimed by the appellant, and Lawrence, J., on appeal confirmed their decision. The appellant appealed. It was contended on behalf of the appellant, **inter alia**, that the assessment on the respondent did not involve double taxation in that the respondent and the Indian company were chargeable as separate entities in respect of separate sources of income; that **Gilbertson V. Ferguson** (1 T. C. 501) was distinguishable because there the company paying the dividends was the same as the company whose English profits had already been taxed, whereas in the present cases there was the interposition of the Indian company which had no direct trading connection with the United Kingdom and whose profits had not been directly assessed to United Kingdom income-tax; alternatively that in the case of a preference shareholder it could not be said that he had suffered any diminution of his dividend by reason of British taxation.

Held, dismission the appeal with costs, that the decision of the General Commissioners and Lawrence, J., was correct. **Gilberston V. Ferguson** (1 T. C. 501) followed.

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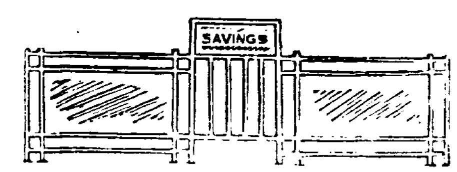

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