129

# Southern India Commerce

| | | | |
|---|---|---|---|
| VOL 11 | JAN | 1939 | NO: 1 |
| VOL 11 | FEB | | 2 |
| VOL 11 | MAR | | 3 |

# SOUTHERN INDIA COMMERCE

MONTHLY

129

JANUARY. 1939

PUBLISHED BY THE SOUTHERN INDIA CHAMBER OF COMMERCE, MADRAS.

Vol. II No. 1

## CONTENTS

———:o:———



## Index to Advertisers

———:o:———





TELEPHONE: 2529
TELEGRAMS: INDCHAMBER.

SOUTHERN INDIA COMMERCE

ANNUAL SUBSCRIPTION RUPEES FIVE. SINGLE COPY AS. 8 FOREIGN 10 SH.

Vol. II No. I | PUBLISHED BY THE SOUTHERN INDIA CHAMBER OF COMMERCE, NORTH BEACH, MADRAS. | JANUARY 1939

# The British Trade Commissioner's Report

If we may rely on Reuter, Sir Thomas Ainscough, His Majesty's Trade Commissioner in India and Ceylon, has published an alarmist report on the reactions of industrialisation in India upon the finances of the Central Government. Sir Thomas Ainscough has been engaged for some years in the unenviable task of drawing the attention of British manufactures to the development of industries in India and its inevitable effects upon Britain's exports of manufactured goods into this country. He has been doing a distinct service to British manufacturers by disclosing to them the realities of the economic situation in India, and advising them to take steps in order to meet competition from other foreign exporting countries. He has also been very frank in informing his Government that the Indian market for certain kinds of British manufactures is rapidly shrinking under the stress of competition from Indian Industries. He has in a way helped British manufacturers to reconcile themselves to the inevitable and make the necessary adjustments in their manufacturing and selling policy.

In his latest report, unfortunately, he has gone far beyond this and sets himself up in the unwelcome role of an adviser to the Government and the people of India. He foretells dire consequences for India if the pace of industrialisation is accelerated. We will examine the predictions:—

He says that "the policy of maximum industrialism," if followed to lengths contemplated by the present Congress authorities and Provincial Governments must inevitably lead to a serious clash of interest with the agricultural element. Sir Thomas is misinterpreting the aims and policies of the Congress authorities by exaggerating their intentions. Neither the Congress authorities nor the Provincial Governments have voted for "maximum industrialism." On the other hand, they realise only too keenly the dangers of too rapid industrialisation. They have enough economic wisdom to realise that ultimately industrial development of India is limited by her natural resources and by the ability of the country to consume the products of her industries. Knowing the difficulties of world conditions, Indian industrialists have refrained from expending their plant or increasing their capacity in order to seek markets abroad. They fully realise that the times are not propitious for such a development. Sugar and cement industries in India are certainly in a position to increase their production and develop export markets. They have resisted the temptation, and as far as we konw, there are very few industrialists in India who desire to increase industrial production to the extent of requiring foreign markets to absorb their products.

Sir Thomas foretells a serious conflict between the industrial and agricultural elements in India. Such a sight might please him; but the evidences are that he will be disappointed. The clash has been fully anticipated by the Central Government, and more especially by the various Provincial Governments administered by the Congress. Everywhere one finds suggestions of guaranteeing a minimum price for agricultural commodities; for raising the level of internal prices in order to benefit the vast mass of agriculturists. Protection enabled the sugar industry to make huge profits; but promptly the Provincial Governments intervened in order to ensure a proper price to the cultivator of sugar-cane. In Bengal the jute mill industry dominated by British capital has been enjoying a tremendous advantage over the poor, unorganised cultivator. The new Provincial Government is now endeavouring to raise the price of raw jute and, if possible, to assure to the grower a reasonable minimum price. Likewise nearly every Provincial Government today is contemplating administrative or legislative action in order to safeguard the interest of the agriculturists. In fact, never since British rule was established in India was there so much solicitude for the interest of the agriculturist both from the public and from the Government.

Sir Thomas Ainscough proceeds to forecast a crisis in the finances of the Government of India as a result of India's industrial development. The Government of India's finances are, no doubt, based very largely upon Customs receipts, and there is no doubt whatever that as the policy of discriminating protection becomes effective, imports will be checked and Customs revenue must inevitably decline. This is not a discovery. In fact, it has been anticipated by all publicists and economists in India and also by the Government. We may also inform Sir Thomas that necessary steps have also been taken in order to fill the gap in the Government's finances. The Tariff Board that enquired into the steel industry in 1932 examined this question thoroughly and in a memorable passage laid down the financial obligations of successful protected industries towards the Central Government, and recommended the levy of an excise duty. Excise duties are now being levied upon steel, sugar and matches, and are expected to figure prominently in the future budgets of the Government of India. Are we to understand that foreign imports should be encouraged just in order to enable the Government of India to gather more revenue? This is an absolutely lop-sided way of looking at the problem. Conveniences of Governmental finances should never be allowed to stand in the way of industrial development. At the same time, we are quite alive to the reactions of industrial development upon the structure of Central Government's finances, which is so largely based upon Customs revenue. The obvious remedy is, not to put a brake on industrial development, but to investigate and exploit new sources of revenue; and we may assure Sir Thomas Ainscough, the galaxy of talents at the disposal of the Government of India will not fail them in the task. They are not idle either. Apart from the excise duties, income-tax is engaging their attention. The Law has been thoroughly overhauled and the screw has been tightened to yield more revenue.

The third forecast of Sir Thomas Ainscough almost takes our breath away. He foretells the collapse of the financial and economic fabric of the Government of India, dependent as it is upon a favourable balance of trade in order to meet India's financial commitments in London and to maintain the rupee exchange. Here again, the fallacy that underlies Sir Thomas Ainscough's argument is that he will not (he is unable to) countenance any change. We must admit that in the present condition, India must produce a favourable balance of trade. There are two ways of achieving this. If foreign countries will not buy as much from India as they used to do in order to enable her to accumulate a balance abroad, she must necessarily restrict imports. The Ottawa tariff policy imposed upon India by England is responible for provoking the economic animosity of such great export customers like Japan, Germany, France, Italy and the United States of America. India has been thrown into the net of imperial economic exclusiveness, and we are paying the price. If England had not forced India to discriminate against these countries, they should now be buying much more from us and to that extent might have helped to ward off the very economic collapse that Sir Thomas foretells.



Let us assume for a moment that India cannot meet her financial commitments in London in the present condition. What is the remedy? Shall these commitments stand unaltered at their present level? Is it not possible to reduce them progressively? Why should these financial commitments be considered to have precedence over India's internal economic needs? Why should anybody suggest that a check should be put upon India's industrial development just in order that it may enable her to fulfil her foreign obligations? The obvious remedy is to develop export markets (One would like to know what help England has rendered to India in this matter, as she knows fully well that the Ottawa tariff policy has been responsible to a large extent for the progressive shrinkage of India's export markets). If sufficient surplus cannot be created, we must cut down our imports.

At any rate everyone in India realises that these financial commitments in London are a chronic problem. The solution lies not in checking industrial developments but in laying down a definite policy, whereby these foreign commitments shall be reduced and ultimately extinguished. There must be a definite policy to buy back our securities and repay the loans due to foreign investors by raising loans within India. Foreign commitments should be translated by slow degrees into internal obligations.

The Rupee Exchange Ratio is the next object that engages the attention of Sir Thomas Ainscough. He naturally assumes that the present exchange ratio must be maintained, and if it cannot be maintained he would much rather that India changes everything else before she thinks of changing the exchange ratio itself. Both the British Government and the financial interests in London have been doing their best to clothe the present exchange ratio with an air of sanctity that it least deserves, and under the present circumstances can never hope to possess. We are in a rapidly changing world. If the conditions in India and the world have changed so much that the present exchange ratio cannot be maintained in the normal course, economic wisdom (if it is unhampered by imperial consideration) should suggest a change in the ratio.



After all, the exchange ratio is only intended to serve the larger economic needs of a country, and if they are not served, we should have the honesty to admit it and the courage and wisdom to change it for a more suitable ratio. One would think from Sir Thomas Ainscough's remarks that the heavens would fall if this ratio is not maintained. So they thought about the Gold Standard in England before the War. So they thought before September, 1931, when England was blown off the Gold Standard. And did not the Birtish Government in India say the same thing about every other ratio that they fixed for India and ultimately abandoned during the last forty years. We had originally a 1 sh. 4d. Rupee. We then shot it up to 2 sh. A few years later, we pulled it down to 1 sh. 6d. This country is, therefore, quite accustomed to changes in the exchange ratio. And even as the British Government in India has changed all the previous ratios when they found them untenable, we trust they will still have the wisdom (or is it some other quality that they need?) to change the present ratio. What we must strongly object to is the idea that the present exchange ratio shall be maintained at any cost. The obstinacy of some of our British friends when they view certain Indian events cannot be better illustrated. No doubt, the Government had the duty to maintain the exchange parity of the country, but not without regard to the price we are paying for it. England went through six terrible years in trying to maintain the gold basis of her currency after restoring it in 1925. She paid a heavy price, but when she reached 1931, she discovered that the game was not worth the candle. It is a similar courage that we would like to see in the Government of India. The whole country feels that it is paying far too heavy a price to maintain the present exchange ratio. Severe contraction of currency, lower prices, lower wages, industrial unemployment, all these can directly be traced to the measures taken by the Government of India for maintaining the high sterling value of the rupee.

We would also advise British manufacturers and their propagandists to abandon the questionable role of patrons of Indian agriculturists. British manufacturers should be more honest and tell us straight that they are speaking for their own interests. The agricultural masses in India are not in need of supporters from foreign manufacturing interests. Let British industrial interests speak frankly for themselves and leave the agriculturists in India to be safeguarded and protected by those whose duty it is to protect them, and who are quite anxious and able to protect them—the Government of India and the various Provincial Governments.

# Outlook for the New Year

The year that has just ended cannot in any sense be considered a bright one. It was indeed a bad year for India from the economic point of view. The impact of dangerous external factors was felt keenly by many parts of the economic machine. Political uncertainty abroad, especially in Europe re-acted seriously upon nearly every phase of our economic life, especially our foreign trade. Our good customers of Europe were busy rearming themselves and their energies were more or less completely diverted to the preservation of national safety or the acceleration of national aggrandisement, as the case may be. Numerous restrictions had necessarily to be placed upon freedom of economic life. Into certain countries nothing could be imported unless they were absolutely necessary to feed and clothe the population and to run the busy armament industries. Nothing could be exported either unless it was necessary to acquire sufficient foreign exchange to buy essential raw materials. There were times during the year 1938, when a big world conflagration appeared imminent. Fortunately the winds did not blow, though there were enough combustible materials. As the year closed the ominous clouds appeared to be lifting, but the disastrous consequences left behind by them continued to obstruct the flow of economic life the world over.

After nearly 7 years of unrelieved gloom the wholesale prices in India seemed to raise their heads in the year 1937. The rise continued with some interruption right till the end of that year; but this welcome tendency received a set-back in the year that has just ended. In December 1937 Calcutta index number of wholesale prices was 101. By December 1938 it had dropped to 95. Wholesale prices have gone back almost to the level of December 1936.

Simultaneous with the fall in wholesale prices the price of securities also declined. In South India conditions were rendered worse by an unprecedented banking crisis leading to the suspension of payment by one of the biggest banks in the Presidency followed by a few minor crashes. On the whole, the country has been able to weather the storm with some difficulty and if current signs are a reliable index to future events a small measure of confidence is justified. Apart from unexpected shocks from international developments, India should be able to maintain the flow of her economic life, even if she may not be able to add to it.

Conditions in the financial world are not altogether too propitious. Money conditions began to harden towards the end of 1938. Deprived of strong support from the export of gold, the rupee ratio had to fall back for sustenance upon the balance of merchandise trade. These balances have been shrinking fast and at one time the rupee exchange was seriously threatened and a combination of circumstances endeavoured to pull it down. The Government's resources were immediately mobilised to help the rupee. Currency was contracted to some extent and treasury bill rates were raised. The condition of artificial stringency thus fostered has helped to prop up the rupee. Rise in the bill rate is only the first arrow in the quiver. If it is not sufficient to maintain the ratio, a rise in the bank rate is inevitable. But a rise in the treasury bill rate also means additional burdens upon the Government. Ultimately the rupee ratio could only be defended by an increase in the trade balance of India. Therein lies the real solution. But in the present world conditions we must seriously discount the possibility of any considerable increase in India's favourable balance of trade. If the demand for Indian commodities from foreign countries does not show a decided improvement, the rupee will be hard to defend, its protagaonists notwithstanding. In the meanwhile, the Government will presumably fall back upon the most obvious weapons-higher treasury bill rates, tight money conditions, contraction of currency and increase in the bank rate. But will they help to revive Indian industry and trade?

Provincial fiances all over India are in none too happy a condition, and their rehabilitation will be the supreme test of the Provinces in the year, 1939. In our own Province rains have failed in nearly every part of the Presidency and more or less famine conditions are reported to prevail in many districts. Apart from the fact, that these conditions will render it very difficult for the anticipations of the Finance Minister to be realised, the remissions in revenue that must necessarily follow will make another big hole in the finances of the Province. We are committed to the extension of the policy of Prohibition, which means a further decline in revenue. Thanks, however, to the reform of Income-Tax Law, the Central Government may be able to assist; but we hope Government do realise that ultimately the only guarantee of financial solvency is to fill the gap by either augmenting revenue or by reducing expenditure or by a combination of both these devices. It is easy enough to impose additional tax burdens upon the people and we trust that the Government will not fall a prey to such dangerous temptations. Not until the Government have enforced strict economy in public expenditure, not until they have made every endeavour to cut down expenditure and stop leakages, would they be justified in making fresh proposals of taxation. Prices of most of our staple commodities have fallen. Serious and widespread labour unrest has reduced the earnings of industries. A severe banking crisis has driven money away from profitable industrial channels into idle hoards. Such times are not quite propitious for imposing new taxes. The Government are reported to be busy investigating new revenue sources. An Electricity tax has already been proposed. The Government have taken care to explain that it is not a tax upon consumers of electrical energy, but upon the profits of Electrical Corporations. It may afford some consolation but it would be interesting to inquire whether and how many Electric Corporations in the Presidency are in a position to bear the full burden of the new tax.

Casting our glance back at the country, the most pressing problem that awaits solution is the question of uneconomic internal competition in industries. It has manifested itself in various forms in Coastal Shipping, Cement, Sugar, Steel, Soap, Jute, etc. If our information is correct, in Coastal Shipping the interests concerned are reported to be investigating the possibilities of mutual understanding. In Cement unfortunately the prospects are indeed gloomy. Unplanned increase in production and reckless scramble for markets have resulted in uneconomic price-cutting.

The Sugar Industry is to be congratulated on having evolved at least a Central Selling Organisation and an understanding in regard to price. Interests of the cane growers have also been duly safeguarded. Although the organisation of the Industry is not as strong as one might wish and although signs of patch-work are visible all over, we are gratified to note that the Sugar Industry has succeeded in emerging from its most acute period of crisis. The Steel Industry reveals almost similar features of unplanned production and pressure upon markets. On the other hand in the Jute Industry, the new year has brought the welcome news of a new agreement between the Association and non-Association Mills. It is reported that two of the Mills have agreed to join the Association. Let us hope that with the additional strength that the Association has thereby acquired it will be able to control and regulate the industry for the benefit of the country and the vast multitude of investors.

In more sense than one, the year 1939 will be a test of India's economic good sense.





# Industrial Planning

In recent years many advanced countries have been adopting plans for stated periods for industrial regeneration and there have been some positive cases where real substantial good has been done by such planning in such countries as Soviet, Germany and Italy. The inauguration of the Congress Governments in the Provinces has given a filip to the industrial policy of this country and in pursuance of which a National Planning Committee with a very comprehensive personnel of economists, financiers and business men under the chairmanship of Pandit Jawarhal Nehru was inaugurated at Bombay on 17th December 1938 under the auspices of the Congress. The Committee have issued a very long questionnaire seeking to elicit information upon the position of raw materials, transport and marketing facilities, position of fuel power and energy, compilation of industrial and commercial statistics, agriculture and animal husbandry, substitute industries, cottage, medium sized and major industries. The questionnaire does not refer to any particular industry as the possibility for investigation may need special investigation for enquiring into the conditions of particular industries for their own development. The Province of Bombay and Bengal have forestalled the All-India investigation by inaugurating special investigation of their own provincial industrial position. The Government of Bombay appointed as early as May 1938 the Industrial Survey Committee under the Chairmanship of Sir Purushothamdas Takurdas, Director of Industries, Mr. C. N. Vakil, University Professor of Economics, Dr. P. U. Patil, Sugar Technologist, Mr. Muhomedally Habib Sahib and Mr. R. V. K. R. V. Rao, Principal and Professor of Economics, Ahmedebad. The terms of references of the Committee were as follows:—

(*i*) to examine the present position of small industries in the province and to report on their places in the provincial economy in relating to agriculture and large industries,

(*ii*) to survey the work done by the Government of Bombay in the realm of economic development within the Province during the last 17 years, with special reference to agriculture, large industries and small industries,

(*iii*) to report on the measures which Government can undertake to promote economic development within the Province and to suggest methods for financing the same,

(*iv*) and finally to make such other recommendation as pertaining to State policy with regard to economic development within the Province.

The Committee was requested to report by October 1938 and the report has not been submitted.

The Government of Bengal have appointed a Committee under the Chairmanship of Dr. John Mathai and the following gentlemen will be members. Mr. A. L. Ojha, Dr. J. C. Ghose, Dr. J. P. Neogi, Mr. M. A. Ispahani, Dr. N. N. Law, Dr. S. K. Mitra, Mr. J. N. Sen Gupta, Secretary of the Bengal National Chamber of Commerce will be the Secretary. The scope of the survey will include exploration of new possibilities and investigation into the problems and difficulties of the existing industries of the Province both large, small and cottage industries with a view to suggesting ways and means for their development along healthy lines. It is expected that the survey will be completed within a year.

# Conservation of India's Mineral Resources

Waste is the besetting evil of industrial India. We waste power, we waste materials, we waste time, we waste human energy. There is almost nothing that we use to-day of which we do not waste more. Waste or replaceable materials is comparatively remediable and not so distastrous in its results; but when we waste assets like resources of coal or iron ore, or of any mineral for that matter, we are thereby leaving less for future generations to use. The waste of such resources becomes almost a national problem when we consider the further fact that our resources of coal and iron are none too plentiful and are not estimated to last an indefinite period of time.

The attention of the country has been drawn to this fact from time to time, but nowhere more prominently or with greater emphasis than at the Annual General Meeting of the Mining, Geological and Metallurgical Institute of India held recently in Calcutta. Presiding over it Mr. A. Farquhar, Chief Mining Engineer of the Tata Iron and Steel Co. Ltd., suggested that immediate measures should be taken in order to conserve for future generations the limited mineral resources of India and not allow them to be wantonly and wastefully exploited. It is equally necessary that the use of coal should be economised and for this purpose it was suggested that a Combustion Engineer should be added to the staff of all large operating for the purpose of research and propaganda. The most obvious and immediately practicable method of economising the use of coal is to abolish every small local electricity generating station and to instal in their place large central power stations which would generate and distribute power over large areas at lower costs.

The City of Calcutta, with its innumerable industrial concerns, is one of the largest consumers of power in the country and it should be possible to generate power in the coal fields with cheap low grade fuel for transmission to Calcutta. In a matter of such vital importance we trust that the Government concerned, those of Bengal and Bihar, will move without delay.

The country is also lagging far behind other nations in power research. Mr. Farquhar stated that scientific possibilities of India's coals, either for power purposes or for the recovery of bye-products at their derivatives, had not yet been fully explored. Any measure of conservation that may be adopted should give due importance to this aspect of power economy. We are sure the whole country will agree with Mr. Farquhar that a National Industrial Research Board should be immediately constituted to investigate these questions and to assure the country that its mineral resources will be scientifically conserved and economically exploited.

Mr. N. R. Sarker, Finance Minister to the Government of Bengal, who also attended the meeting referred to the suggestion that utilisation of the country's mineral resources should be placed in the category of public utilities, and was of opinion that it contains a large measure of justification. The State would certainly be justified in adopting strict regulative measures to stop the indiscriminate exploitation of such exhaustible and immensly valuable national assets. While the provinces of Bengal and Bihar are immediately confronted with the problem, it appears in some form or other in nearly every province in India and it would be well for every provincial Government to take stock of its mineral resources with a view. to ensure scientific and economic exploitation and prevent waste.





# Marketing Difficulties

The following extracts from the monthly report of the Provincial Marketing Officer submitted to the Director of Agriculture for the month of December 1938 are likely to interest rice, plantain and coconut merchants.

*Rice*:

"Tanjore and South Arcot districts export annually from 60,000 to 80,000 tons of mainly Sirumani rice to Ceylon, and it is desirable that a system be introduced by which this rice is exported in specified and standardised grades to attract the purchasers as well as steady the demand Sirumani rice can be easily graded and exported with advantage. Regarding the other varieties, the Tanjore district has got a long standing trade with the Coimbatore, Salem, Trichinopoly and Madura districts in medium and coarse sambas. The trade is, however, in the hands of commission mundies, and there are found certain malpractices by way of adulteration of types at the consuming ends. Another peculiarity is that bulk of the trade in Tanjore district is by way of paddy which is transported all the way and hulled at the importing end, the quantity being so high as 3,000,000 railway maunds from Tanjore district alone. It was pointed out that this is a handicap in the marketing of rice proper. Growers, small and large, were therefore urged to form marketing associations and open up their own agencies and depots in the main centres as Pudukottah, Trichinopoly, Erode, etc. When the bulk of the paddy is sold away early as often happens, the grower is unable to take advantage of the rise in prices later in the season. Annually about 3,000,000 maunds are exported as paddy from the Tanjore district, and even if half the quantity goes as rice instead of paddy, there will be a saving of freight on five lakhs of maunds, a significant figure. Further, as the market for rice is now in the consuming end, the producing district loses the advantages of direct marketing, and all varieties, good and bad, are entirely in the hands of middlemen at the importing ends. As such, the full benefits of the superior varieties grown are not realised. Rices from the Godaveri Delta have to move so far off as 600 miles to meet deficit areas, and it is quite possible that Tanjore district can undertake that supply. There is thus room for improvement by a planned distribution of supplies also. At present, the Tanjore grower is estimated to get 60 to 68 per cent only of the consumer's price in internal markets as Trichinopoly and only 59 per cent of the consumer's price in the case of export to Ceylon. The railway freight accounts from 6 to 9 per cent in these cases, milling charges from 5 to 6 per cent and the rest is mainly devoted to filling the profits of intermediaries. There is therefore, sufficient scope to increase the net return to the grower by large scale organisations of producers.

*Plantains*:

"There are over 1, 650 acres of plantains in Karur taluk, of which nearly 1,500 acres are in Vangal firka alone. The Vangal society or the Karur Loan and Sale Society can, therefore, easily organise marketing of plantains in the area. The marketable surplus of plantains from this area is estimated at 4½ lakhs of railway maunds, the average yield per acre being 800 bunches weighing 300 maunds. The price of one maund of plantains at Karur ranged from Rs. 0-12-0 in October-December to Re. 1-0-0 in January-April and Rs. 1-4-0 in May-September. Wholesale merchants of Madras and Bangalore order their requirements through local commission agents who have advanced sufficient money to pay for the produced in the field and meet other expenditure as cutting and carting to the railway station, the amount of railway freight to be prepaid, the agents' commission charges of Rs. 15/- per wagon load of 200 maunds (10 cartloads) and other incidental charges. Excluding the cost of the plantains and the railway freight, such expenditure amounts to Rs. 37/- per wagon load of 200 maunds. Details of marketing methods to be adopted by the society were discussed with the Deputy Registrar of Co-operative Societies, Trichinopoly, who has promised to expedite further action.

*Coconut*:

"The world acreage under coconut has increased from 5.6 million acres in 1921 to 7.3 millions in 1930. India has the largest area under coconut followed by the Phillipine Islands, Ceylon, the Dutch East Indies, British Malay and the South Sea Islands. India has about 21.6 per cent of the total world acreage while Ceylon accounts for 17.1 per cent. Madras Presidency has nearly 40.0 per cent of the total extent of coconut plantations in India. Travancore 38.7, Mysore 11.2 and Cochin 4.7 per cent. India, which is a large exporter of copra and oil to foreign countries, has completely lost the European markets on account of the increased production in other countries. South India, which is one of the largest producing centres, has now to depend on other provinces in India for marketing its coconut and coconut products. Ceylon is a serious competitor for these products in North Indian markets."

# Commerce

## Madras Commerce Report for the Month of November 1938.

**Issued by the Director of Industries.**

The most important event of the month in the economic sphere was the signing of the Anglo-American Trade Agreement, and hopes are expressed that this will lead to a freeing of international trade with all round beneficial results. The month of November was another period of rising production and employment in the United States of America and the American trade recovery proceeded satisfactorily. World commodity markets were, however, hesitant, and owing to the lull in the upward trend of the prices of primary products, there is the danger that a fresh destocking movement may be started. If this is avoided, the process of consolidation in America should continue and a steady recovery in business accompanied by expanding consumption of primary commodities may be seen, provided that there are no further shocks to confidence. On the whole November was a slightly better month for Madras commodities, exports advancing by Rs. 21.73 lakhs as compared with the corresponding month of the preveious year and values generally being well maintained. Heavy buying on the part of South Indian mills resulted in a hardening of local cotton quotations. Sales of Indian mill cloth were fairly heavy over Ramzan and good clearances of stocks were recorded. Subsequently, the market ruled quiet though wholesale dealers began replacing stocks in anticipation of the Pongal and Christmas season. There was a good demand for tanned hides and prices of light weights strengthened. Prices of tanned goat and tanned sheep skins were fairly steady, but whilst the tanned sheep skins market was rather uncertain, business in goats was better than in the previous month. There was a good demand for groundnuts during the month and prices were steady, the end of the month witnessing marked activity among dealers. Owing to fair Indian demand, the pepper market remained steady throughout the month. The Calicut ginger market continued weak owing to lack of both European and Indian demand. The Calicut and Cochin coir yarn markets were generally steady. Coconut oil prices showed an upward tendency owing to scarcity of copra. The Madras sugar market continued dull and quiet, with no improvement in prices and demand was slack, the market, however closed steady. There was a fair demand for locally manufactured acids and chemicals. Prices at the London tea sales were irregular and lower again on a reduced demand from buyers. The statistical situation is tending adversely for growers. Seller predominated in the rubber market after the International Rubber Committee decided to fix the export quota at 50 per cent of the standard maximum for the first quarter of 1939. A substantial expansion in consumption will be necessary to absorb the fresh release in supplies.

*Groundnut*:

Demand and prices were steady during the greater part of the month and towards the close there was marked activity among dealers and markets firmed up owing to increased demand. The average wholesale prices of standard varieties at the main producing centres were as follows:—

PER CANDY OF 531 lbs.

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 28th October 1938 | Rs. 19 | 4 | 0 | to | Rs. 21 | 3 | 0 |
| 25th November 1938 | Rs 19 | 4 | 0 | to | Rs. 21 | 15 | 0 |

*Paddy and Rice*:

The market for paddy and rice was firm during the month with a satisfactory turnover. The average wholesale prices of standard varieties at the main producing centres were as follows:—

INDIAN PADDY PER BAG OF 170 lbs.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 28th October 1938 | Rs. 4 | 4 | 0 | to | Rs. 4 | 11 | 0 |
| 25th November 1938 | Rs. 4 | 6 | 0 | to | Rs. 5 | 0 | 0 |

INDIAN RICE PER BAG OF 170 lbs.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 28th October 1938 | Rs. 6 | 4 | 0 | to | Rs. 7 | 3 | 0 |
| 25th November 1938 | Rs. 6 | 8 | 0 | to | Rs. 7 | 10 | 0 |

RANGOON RICE—RAW, BROKEN—A.1

PER BAG OF 220 lbs.

| | | | | |
|---|---|---|---|---|
| 31st October 1938 | Rs. 8 | 0 | 0 | Madras |
| 30th November 1938 | Rs. 8 | 2 | 0 | |

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

| | | | | |
|---|---|---|---|---|
| 31st October 1938 | Rs. 7 | 6 | 0 | Madras |
| 30th November 1938 | Rs. 7 | 10 | 0 | |

*Coconut Products*:

Owing to good arrivals and less European demand, the market for Quilandy soaked coir yarn weakened but closed steady. Owing to steady arrivals and fair European demand, the market for Calicut unsoaked yarn remained steady throughout the month. The Cochin coir yarn market was steady as a result of Indian demand. There was a strong demand for copra of which there was a scarcity and this reacted on coconut oil prices which showed an upward tendency.



*Cotton*:

There was little movement in world markets during November, but prices of local cotton rose considerably owing to the very unsatisfactory conditions of local cotton crops, especially Cambodia. The rains have fallen in most cotton tracts and a smaller crop is in prospect.

*Tinnevellies*:

Coimbatore and local mills showed a keen interest in the remaining old crop lots and prices gradually rose from about Rs. 140/- to Rs. 160/- at the end of the month.

*Cambodia*: Coimbatore mills were eager buyers and drove up prices of best available Cambodia from Rs. 200/- to Rs. 225/- at the end of the month.

*Sugar*:

The Madras market continued dull and quiet with no improvement in prices and demand was slack. Some of the wholesale dealers purchased small quantities of dry sugars in anticipation of a shortage of such sugars. About the middle of the month, the Governments of United Provinces and Bihar announced the fixation of cane prices at Rs. 0-6-9 per maund plus a cess of six pies per maund. At the close of the month advices from Calcutta indicated higher prices for new crop sugars and that the Halai merchants purchased fair quantities of local factories sugar to cover their requirements for December. The market closed steady awaiting the Indian Sugar Syndicate's prices for new crop sugars. Madras prices of North Indian sugar ranged from Rs. 27-0-0 to Rs. 29-2-0 per bag of two cwts. in November as compared with Rs. 27-2-0 to Rs. 29-0-0 during October. Most upcountry markets were steady but dull and closed firm with better activity on the part of dealers.

*Tanned Hides and Skins*:

*Tanned Hides*: There was a good demand throughout November. Owing to the majority of parcels arriving in the market, averaging 7 lbs. and over, prices for light weights became firmer. Madras prices at the end of November were as follows:—

Primes 5½ lbs. 15d; Primes 8½ lbs. 13¼d;
Cocos 7½ lbs. 13½d.

*Tanned Goat Skins*: The tanned goat skin trade in November was steadier especially for 11/12 lb. skins and 13/14 lb. skins. Suppliers have been forced to sell Heavies without Lights. Light weight skins in better assortments proved a slower market, but in the lower grades, business was better. Heavy weight prices increased from one to two annas per lb., whereas Light weights decreased in value. There used to be a considerable difference in price between Heavies and Lights, the Lights commanding a premium of sometimes 6d. per lb. over Heavies, but there is now practically no difference at all. In fact, for a combined order for Heavies and Ligts is has been possible to buy at equal prices for the better assortments although Light weight lower grades are still commanding one to two annas per lb. more than heavier weight lower grades. Business in Goat skins was certainly better than in the previous month.

*Tanned Sheep Skins*: The large increase in the number of bales shipped in November over October tended to weaken the Tanned Sheep skins market which was uncertain during the month, although prices did not weaken to any considerable degree. Lower grades in Tanned Sheep have been selling very cheaply indeed, and in view of the increase in poorer type pelts due to Japanese inactivity, the price of inferior qualities may go still lower.

Stocks of Tanned Goat and Tanned Sheep skins are still small in Madras as goods which cannot be sold on a forward basis have continued to be consigned to London.

Shipments from Madras during November were as follows:—

| Goat. | Sheep. | Hides. | Buffs. | Cow calf. | Buff calf. | |
|---|---|---|---|---|---|---|
| 708 | 1029 | 3653 | 289 | 281 | 178 | Bales. |

ANNEXURE.

*Wholesale prices of commodities ruling in the markets mentioned on 25th November 1938.*

| Commodity | Market | Quality of Variety | Unit | Price |
|---|---|---|---|---|
| Cotton | Tirupur | Cambodia | Per Candy of 520 lbs. | Rs. 150 to Rs. 160 |
| do. | do. | Karunganni | do. | Rs. 120 to Rs. 130 |
| Groundnuts | Nandyal | Machine shelled | Per Candy of 531 lbs. | Rs. 20-7-0 |
| do. | Coimbatore | do. | do | Rs. 21-0-0 |
| Pepper | Tellicherry | Garbled | Per cwt. F.O.B. | Rs. 17-8-0 |
| Paddy | Tenali | Kusuma | Per bag of 164 lbs. | Rs. 4-11-3 |
| Rice | do. | do. | do. | Rs. 6-13-0 |
| Coir Yarn | Alleppy | Allapat | Per Candy of 672 lbs. | Rs. 60 to Rs. 70 |
| Copra | Cochin | ... | Per Candy of 655 lbs. | Rs. 45 |
| Cocount Oil | do. | ... | do. | Rs. 67-4-0 |
| Jute | Vizianagaram | Bimli | Per Candy of 506 lbs. | Rs. 35-0-0 |
| Tobacco | Erode | 1st quality | Per md. of 281 lbs. | Rs. 4-0-0 |

## MARKET REPORTS

### Madras—*27th January 1939*

| **Cotton Yarn (5 lb. bundles)** | R. | A. | P. |
|---|---|---|---|
| **60's** | | | |
| Coimbatore Pioneers ... ... ... | 4 | 6 | 0 |
| Lakshmi ... ... ... | 4 | 6 | 0 |
| Pankaja ... ... ... | 4 | 5 | 0 |
| Manchester (T. Red Peacock) ... ... | 9 | 11 | 0 |
| **40's (10 lb. bundles)** | | | |
| Coimbatore Mill .. ... ... | 5 | 13 | 0 |
| Madura Mills ... ... ... | 6 | 2 | 0 |
| **20's** | | | |
| Coimbatore Mills ... ... ... | 4 | 0 | 0 |
| Madura Mills ... ... ... | 4 | 0 | 0 |
| **Silk Yarn (per lb.)** | | | |
| **Japan White—** | | | |
| 20 x 22 ... ... ... | 6 | 2 | 8 |
| **Japan Yellow** | | | |
| 20 x 22 ... ... ... | 6 | 3 | 0 |
| **Canton** | | | |
| 20 x 22 ... ... ... | 4 | 8 | 6 |
| 28 x 22 ... ... ... | 4 | 6 | 6 |
| **Japan Thrown Silk—** | | | |
| White 20 x 22 .. ... ... | 7 | 4 | 0 |
| White 13 x 15 ... ... ... | 7 | 8 | 0 |
| **Cotton Piecegoods—** | | | |
| **Grey Mulls—** | | | |
| "Mongoose Snake" 22 x 22 (B) ... | 6 | 13 | 0 |
| "Two Rats" 22 x 22 (B) ... ... | 6 | 10 | 0 |
| **Bleached Grey Mulls—** | | | |
| "Mongoose Snake" 22 x 22 (B) ... | 7 | 6 | 0 |
| "Two Rats" 22 x 22 ... ... | 6 | 5 | 0 |
| **White Mulls—** | | | |
| 1708 ... ... ... ... | 9 | 4 | 0 |
| Glasgow 9000 ... ... .. | 8 | 15 | 0 |
| 1702 ... ... ... ... | 8 | 2 | 0 |
| 9041 ... ... ... ... | 7 | 14 | 0 |
| LL72 ... ... ... ... | 5 | 13 | 0 |
| LL73 ... ... ... ... | 6 | 5 | 0 |
| 68-888 ... ... ... | 10 | 0 | 0 |
| **Metals (500 lbs.)** | | | |
| Yellow metal Sheets "Dittman" ... | 176 | 0 | 0 |
| I. C. C. ... ... | 175 | 0 | 0 |
| Copper Sheets ... ... | 226 | 0 | 0 |

| **Cement—** | R. | A. | P. | | R. | A. | P. |
|---|---|---|---|---|---|---|---|
| "Nilgiri" Brand per 1 cwt. ... | | | | ... | 1 | 14 | 0 |
| "Dalmia" ... ... | | | | ... | 1 | 13 | 0 |
| "Hand" brand per cask | 9 | 4 | 0 | to | 9 | 6 | 0 |
| ,, per bag of 94 lbs. ... | | | | ... | 2 | 4 | 0 |
| **Tanned Hides—** | | | | | | | |
| Bangalore 8 to 8½ lbs. | 0 | 9 | 9 | to | 0 | 10 | 0 |
| Up-Countries ... | 0 | 9 | 6 | to | 0 | 9 | 9 |
| Coasts—7 to 7½ lbs. ... | 0 | 10 | 0 | to | 0 | 10 | 3 |
| **Tanned Goat—** | | | | | | | |
| Good ... | 1 | 8 | 0 | to | 1 | 10 | 0 |
| Fair ... ... | 1 | 6 | 0 | to | 1 | 8 | 0 |
| Common ... | 1 | 5 | 0 | to | 1 | 6 | 0 |
| **Tanned Sheep—** | | | | | | | |
| Good ... ... | 1 | 6 | 0 | to | 1 | 8 | 0 |
| Fair ... ... | 1 | 4 | 0 | to | 1 | 5 | 0 |
| Common ... | 1 | 2 | 0 | to | 1 | 4 | 0 |
| **Oil seeds (Machined)** | | | | | | | |
| Groundnuts (531lbs) ... ... | | | | ... | 25 | 0 | 0 |
| Castor Seed (165 lbs). ... | | | | ... | 9 | 0 | 0 |
| **Produce—** | | | | | | | |
| Rice Boiled Cocanada (160 lbs.) | | | | ... | 6 | 4 | 0 |
| ,, Calcutta Nagara (164 lbs.) | | | | ... | 7 | 8 | 0 |
| Raw-Rangoon-Broken A 1 (220 lbs.) | | | | ... | 8 | 4 | 0 |
| Pepper (Tellicherry (Pure) (25 lbs. maund) | | | | ... | 4 | 0 | 0 |
| Pepper (Bydgi) ... ... | | | | ... | 5 | 8 | 0 |
| Ginger (Dry) Calicut (candy of 500 lbs.) | | | | ... | 68 | 0 | 0 |
| Chillies Pari per Candy of 500 lbs. ... | 66 | 8 | 0 | to | 70 | 0 | 0 |
| Potatoes (Ooty) Uru per candy of 500 lbs. ... | | | | ... | 21 | 0 | 0 |
| Do Rasi Do | 17 | 0 | 0 | to | 18 | 0 | 0 |
| Do Podi Do | 13 | 0 | 0 | to | 14 | 0 | 0 |
| Ghee-Rasipuram per tin of 12 Visses | | | | ... | 19 | 10 | 0 |
| Butter-Tenali-Special per tin of 12 Visses | | | | ... | 16 | 10 | 0 |
| Do Gudivada Do | | | | ... | 15 | 14 | 0 |
| Soapnuts per candy of 500 lbs. | 43 | 12 | 0 | to | 45 | 8 | 0 |
| Tamarind (Bangalore) do. | 29 | 12 | 0 | to | 31 | 8 | 0 |
| Coriander Seeds (Cuddapah) do. ... | | | | ... | 52 | 8 | 0 |
| Do (Guntur) do. | 42 | 0 | 0 | to | 45 | 0 | 0 |
| Hand-pounded rice raw (Molakulukulu) per bag of 82 measures ... | | | | ... | 7 | 12 | 0 |
| Honey (Coorg) per 1 lb. bottle ... | | | | ... | 1 | 0 | 0 |
| Do (Dindugul) do. .. | | | | ... | 0 | 6 | 0 |

### Bangalore—Mysore Chamber of Commerce

**Silk**—The market has been dull this week. Stock has also been limited owing to the demand for silk being poor. There has, however, been a growing demand for filature silk. Charaka silk is not attracting buyers due to Shanghai silk being imported in very large quantities to South India and Bombay and sold at cheaper rates.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Kempanaballi Silk per seer of 26¼ tolas ... | 2 | 10 | 0 | to | 2 | 12 | 0 |
| Sidlaghatta do. | 2 | 14 | 0 | to | 3 | 2 | 0 |
| Closepet... do. | 2 | 4 | 0 | to | 2 | 6 | 0 |
| Chickballapur do. | 2 | 8 | 0 | to | 2 | 10 | 0 |
| Kyalanur do. | 2 | 8 | 0 | to | 2 | 10 | 0 |
| Mudavadi do. | 2 | 5 | 0 | to | 2 | 3 | 0 |
| Channapatna do. | 1 | 14 | 0 | to | 2 | 0 | 0 |
| Kollegal silk per maund of 1000 tolas | 62 | 8 | 0 | to | 115 | 0 | 0 |
| Silk waste per maund of 28 lbs. | 8 | 0 | 0 | to | 9 | 0 | 0 |



### Bombay Millowners' Association, Bombay

**PIECE-GOODS.**

**Grey, Unbleached.—**

| | Inch. | yds | lb. | Per lb | Rs. A. P. |
|---|---|---|---|---|---|
| Longcloth (Standard Quality) ... | 37 | 37½ | 9 | ,, ... | 0 9 2 |
| ,, Fine Quality ... | 44 | 38 | 7⅞ | ,, ... | 0 14 3 |
| Shirtings ... | 35 | 38 | 9 | ,, ... | 0 8 11 |
| ,, Vegetable Quality | 37 | 37½ | 9 | ,, ... | 0 8 4 |
| Leopard Cloth ... | 43 | 38 | 11½ | ,, ... | 0 8 11 |
| Dhoties (upto ½" nakhi Border) ... | 32 | 9 | 1¾ | ,, ... | 0 10 3 |
| ,, (Calcutta ⅜" P.B.) | 44 | 10 | $1\frac{11}{16}$ | ,, ... | 0 13 11 |
| Drills ... | 29½ | 40 | 13½ | ,, ... | 0 7 8 |
| | Inch. | yds. | lb. | Per lb. | Rs. A. P. |
| Domestics ... | 35 | 40 | 13¾ | ,, ... | 0 7 7 |
| ,, ... | 35 | 40 | 12 | ,, ... | 0 7 8 |
| Salita ... | 40 | 66 | 25 | ,, | Not quoted. |
| Chadars ... | 50 | 6 | 2¼ | ,, ... | 0 9 8 |

**White Bleached.—**

| | | | | Rs. A. P. |
|---|---|---|---|---|
| Longcloth ... | 34 | 40 | Per Piece ... | 9 4 0 |
| Drill ... | 27 | 42 | ,, | 7 13 6 |

**Yarn.—**

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

## TRADE OF MADRAS PORTS

(In lakhs of Rupees)

### MADRAS PORT.

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Nov. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Nov. 1938 |
|---|---|---|---|---|---|
| Grain, Pulse and Flour ... | 88.2 | 49.6 | Oilseeds ... | 213.8 | 178.4 |
| Machinery & Mill Work ... | 165.3 | 132.7 | Tea ... | .6 | .6 |
| Metals ... | 115.1 | 64.3 | Raw Cotton ... | 115.1 | 43.3 |
| Cotton yarn ... | 51.1 | 27.0 | Cotton yarn .. | 6.9 | 1.9 |
| Other Cotton manufactures | 107.3 | 58.9 | Other Cotton Manufactures | 252.7 | 124.2 |
| Oils chiefly mineral ... | 193.5 | 149.3 | Fruits & Vegetables ... | 29.1 | 17.4 |
| Hardware ... | 47.3 | 23.2 | Coffee ... | 2.0 | .9 |
| Provisions ... | 41.4 | 26.7 | Tobacco ... | 92.2 | 69.1 |
| Paper & Paste | 56.6 | 30.1 | | | |
| Chemicals ... | 41.1 | 24.0 | | | |
| Artificial Silk yarn & Manufactures ... | 37.2 | 4.8 | | | |
| Manures ... | 30.8 | 23.4 | | | |
| Tobacco ... | 20.5 | 16.8 | | | |
| Silk Manufacture ... | 27.2 | 4.3 | | | |
| Soap ... | 3.2 | 4.4 | | | |

### VIZAGAPATAM

| | | | | | |
|---|---|---|---|---|---|
| Paper ... | 1.2 | .4 | Oil cakes ... | 22.2 | 7.8 |
| Chemicals ... | 5.1 | 4.0 | Groundnuts ... | 71.2 | 23.8 |
| | | | Manganese ore | 88.2 | 33.2 |

### TUTICORIN

| | | | | | |
|---|---|---|---|---|---|
| Cotton Twist and yarn ... | 14 6 | 3.4 | Oil cakes ... | 10.9 | 9.4 |
| Metals ... | 5.7 | 4.6 | Cotton ... | 57.4 | 21.2 |
| Paper ... | 3.9 | 1.6 | Tea ... | 75.5 | 56.4 |
| Cement ... | 1.2 | .2 | | | |
| Iron and Steel | 9.3 | 3.2 | | | |

### COCANADA

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Nov. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Nov. 1938 |
|---|---|---|---|---|---|
| Mineral oils ... | 196.0 | 35.5 | Groundnut ... | 54.9 | 45.0 |
| Metals ... | 1.2 | 1.0 | Castor seed ... | 9.1 | 3.9 |

### NEGAPATAM

| | | | | | |
|---|---|---|---|---|---|
| Sugar ... | 2.0 | 3.3 | Rice ... | 12.8 | 12.2 |
| Betelnuts ... | 7.7 | 4.1 | Groundnut ... | 58.3 | 56.8 |

### COCHIN

| | | | | | |
|---|---|---|---|---|---|
| Paper ... | 6.9 | 3.2 | Coir yarn and products ... | 80.6 | 45.7 |
| Mineral oil ... | 144.6 | 58.5 | Tea ... | 261.0 | 178.3 |
| | | | Rubber ... | 210.6 | 38.8 |

### CALICUT

| | | | | | |
|---|---|---|---|---|---|
| C. P. goods ... | 3.2 | 2.0 | Tea ... | 99.5 | 49.7 |
| Paper ... | 2.0 | 1.1 | Raw Cotton ... | 83.7 | 9.4 |
| Manure ... | 4.3 | 3.5 | Pepper ... | 1.7 | .7 |

### Monthly Overseas Trade Figures of British India

*Month of December 1938.*

| | Rs. Lakhs. |
|---|---|
| Total values of private merchandise and of private treasure:— | |
| Total Imports of private merchandise ... | 1261 |
| Total Exports of private merchandise ... | 1477 |
| Net Export of Treasure ... ... ... | 6 |
| Total visible balance of trade merchandise and treasure in favour of India ... ... ... ... | 223 |
| Balance of remittances of funds } Adverse to India | 26 |

## The Indo-Commercial Bank, Ltd.

Regd. Office: MAYAVARAM | Central Office MADRAS

| | | | | | |
|---|---|---|---|---|---|
| **CAPITAL:—Authorised** | ... | **Rs** | **25,00,000** | **0** | **0** |
| **Issued & Subscribed** | | ,, | **21,25,000** | **0** | **0** |
| **Paid up** | ... | ,, | **18,03,480** | **6** | **9** |
| **Reserves** | ... | ,, | **85,000** | **0** | **0** |

### Twelfth Report of the Directors to the Shareholders

1. The Directors have the pleasure to present to the Share-holders, a statement of the Assets and Liabilities as on 31-12-1938 and of the Profit & Loss Account of the Bank for the year ending 31st December, 1938 with the Auditor's Report thereon.

2. Figures in the Statement:—

| | | | | |
|---|---|---|---|---|
| The Net Profit for the year amounted to | Rs. | 1,15,469 | 2 | 9 |
| Brought Forward from last year | Rs. | 615 | 0 | 6 |
| Total | Rs. | 1,16,084 | 3 | 3 |
| LESS | | | | |
| Ad Interim dividend at 6% per annum (free of Income Tax) paid on A, B and C Shares for the Half year ending 30th June, 1938 which absorbed | Rs. | 42,632 | 8 | 8 |
| Carried to Reserve Fund | Rs. | 28,814 | 12 | 0 |
| The Directors now propose: | | | | |
| To pay a final dividend of 6% per annum (free of Income Tax) on the "C" Shares which will absorb | Rs. | 26,647 | 7 | 4 |
| To pay a final dividend on A & B Shares to make up 5% per annum for the year (free of Income Tax) which will absorb | Rs. | 17,500 | 0 | 0 |
| To carry forward | Rs. | 489 | 7 | 3 |
| Total | Rs. | 1,16,084 | 3 | 3 |

3. The Bank has had to pass through a period of exceptional strain in South Indian Banking from about the end of the first half of the year for about 4 months. This necessitated the Bank maintaining all along abnormally heavy liquid resources to meet all possible demands, resulting in very low profits in the second half of the year.

4. To restore public confidence in the Bank, the Reserve Bank was invited to investigate into its position and certified to the soundness of its affairs.

5. In the circumstances, the Bank has found it advisable to close down some of the investment offices. New offices will, of course, be opened as soon as the necessity is felt. We are glad to be able to report that all branches have begun to show definite signs of improvement and the Bank hopes to regain its lost position in the near future.

6. It will be seen that the appropriation of the profit omits the usual honorarium to the Managing Director. This is due to the Managing Director himself voluntarily foregoing his dues in the interests of the Bank. We are sure that the Bank will properly appreciate his generosity in spite of the fact that it was on him nearly the whole of the responsibility to make adequate arrangements to meet the strain fell. No greater proof of his devotion to the Bank can be given.

**N. V. Raghavan** | **T. R. Venkatarama Sastri**
**V. Venkatraman** | **K. Subbaiyer**
**R. Viswanathan** | **R. S. A. Sankara Iyer**
**K. Sivaswami** | **S. N. N. Sankaralinga Iyer,**
*Managing Director.*

*Madras Offices:*

**Armenian Street; China Bazaar Road; Mambalam; Mylapore & Triplicane.**

*Branches:*

| | | |
|---|---|---|
| BERHAMPORE | NEGAPATAM | TIRUVARUR |
| CHIDAMBARAM | PALGHAT | TRICHINOPOLY |
| COIMBATORE | PUDUKOTTAH | TUTICORIN |
| ELLORE | SALEM | VELLORE |
| ERODE | TANJORE | VIRUDHUNAGAR |
| KARAIKUDI | TINNEVELLY | VIZAGAPATAM |
| KUMBAKONAM | TIRUPPATUR | AND |
| MADURA | TIRUPPUR | VIZIANAGARAM |

*Sub-Offices:*

Amdalavalsa, Anakapalle, Aruppukkottai, Bhavani, Conjeevaram, Gobichettipalayam, Maruter, Palakol, Parvatipuram, Salur, Shevapet, Shiyali and Tadepalligudem.

# THE INDO-COMMERCIAL BANK, LTD.



*Balance Sheet as at 31st December, 1938.*

## LIABILITIES.

| | | | | Rs. | A. | P. | Rs. | A. | P. |
|---|---|---|---|---|---|---|---|---|---|
| **CAPITAL:** | | | | | | | | | |
| AUTHORISED: | | | | | | | | | |
| 10,000 A Shares of Rs. 100 each | Rs. 10,00,000 | 0 | 0 | | | | | | |
| 10,000 B Shares of Rs. 50 each | Rs. 5,00,000 | 0 | 0 | | | | | | |
| * 20,000 C Shares of Rs. 50 each | Rs. 10,00,000 | 0 | 0 | 25,00,000 | 0 | 0 | | | |
| ISSUED & SUBSCRIBED CAPITAL FOR PAYMENT IN CASH: | | | | | | | | | |
| 6,250 A Shares of Rs. 100 each | Rs. 6,25,000 | 0 | 0 | | | | | | |
| 10,000 B Shares of Rs. 50 each | Rs. 5,00,000 | 0 | 0 | | | | | | |
| * 20,000 C Shares of Rs. 50 each | Rs. 10,00,000 | 0 | 0 | 21,25,000 | 0 | 0 | | | |
| CALLED & PAID UP: | | | | | | | | | |
| 6,250 A Shares of Rs. 100 each | Rs. 6,25,000 | 0 | 0 | | | | | | |
| 10,000 B Shares at Rs. 25 each | Rs. 2,50,000 | 0 | 0 | | | | | | |
| * 20,000 C Shares of Rs. 50 each | Rs. 10,00,000 | 0 | 0 | 18,75,000 | 0 | 0 | | | |
| *Less* calls in arrears | | | | 71,519 | 9 | 8 | 18,03,480 | 6 | 9 |
| RESERVE FUND | | | | | | | 85,000 | 0 | 0 |
| LIABILITIES: | | | | | | | | | |
| DEPOSITS: Fixed, Current, Savings Bank, Monthly Deposits, Cash Certificates, Staff Security, Provident & Gratuity Fund & other liabilities. | | | | | | | 85,45,484 | 0 | 10 |
| DUE TO BANKS | | | | | | | Nil | | |
| DIVIDENDS NOT DRAWN | | | | | | | 668 | 13 | 4 |
| BILLS FOR COLLECTION | | | | | | | 5,48,501 | 5 | 11 |
| BRANCH ADJUSTMENTS | | | | | | | 2,08,877 | 4 | 9 |
| DRAFTS & T. Ts. ISSUED | | | | | | | 2,28,989 | 5 | 2 |
| SUNDRIES | | | | | | | 78,075 | 4 | 9 |
| PROFIT & LOSS ACCOUNT: | | | | | | | | | |
| Balance as per Balance Sheet of 31-12-37 | | | | 1,18,379 | 11 | 10 | | | |
| Depreciation on Bank premises | Rs. 600 | 0 | 0 | | | | | | |
| Contribution to Employees' Gratuity Fund | Rs. 6,403 | 9 | 0 | | | | | | |
| Honorarium to the Managing Director | Rs. 13,781 | 8 | 6 | | | | | | |
| Provision for Income Tax and Super Tax | Rs. 11,000 | 0 | 0 | | | | | | |
| To place to Reserve Fund | Rs. 35,000 | 0 | 0 | | | | | | |
| Branch preliminary expenses written off | Rs. 11,237 | 2 | 4 | | | | | | |
| Bonus to staff | Rs. 4,000 | 0 | 0 | | | | | | |
| Final dividend for the year ended 31-12-37 | Rs. 35,742 | 7 | 6 | 1,17,764 | 11 | 4 | | | |
| Brought forward after appropriation | | | | 615 | 0 | 6 | | | |
| NET PROFIT FOR THE CURRENT YEAR | | | | 1,15,469 | 2 | 9 | | | |
| | | | | 1,16,084 | 3 | 8 | | | |
| LESS: Ad interim dividend at 6 P. C. P. A. for the half year ending 30th June 1938 | Rs. 42,632 | 8 | 8 | | | | | | |
| Carried to Reserve Fund | Rs. 28,814 | 12 | 0 | 71,447 | 4 | 8 | 44,636 | 14 | 7 |
| * Entitled only to a tax free non-cumulative preferential dividend of 6 per cent, per annum | | | | | | | | | |
| Total | | | | | | | 1,15,33,618 | 8 | 1 |

## ASSETS.

| | | | | Rs. | A. | P. | Rs. | A. | P. |
|---|---|---|---|---|---|---|---|---|---|
| LOANS, CASH CREDITS, BILLS DISCOUNTED, BILLS PURCHASED, PROMISSORY NOTES AND OTHER ADVANCES: | | | | | | | 55,56,390 | 2 | 1 |
| 1. Debts considered good in respect of which the bank is fully secured | | | | 39,56,713 | 14 | 6 | | | |
| 2. Debts considered good in respect of which the bank holds: | | | | | | | | | |
| (a) Joint & several pro-notes | | | | 6,84,695 | 0 | 10 | | | |
| (b) Pro-notes by several persons singly | | | | 1,15,080 | 2 | 8 | | | |
| (c) Bills and drafts | | | | 7,89,740 | 6 | 7 | | | |
| (d) No pro-notes being temporary Overdrafts | | | | 3,273 | 3 | 2 | | | |
| 3. Debts considered doubtful and bad | | | | 6,887 | 6 | 4 | | | |
| 4. Debts due by the Directors and other officers | | | | Nil | | | | | |
| BANK PREMISES at cost | Rs. 24,379 | 3 | 5 | | | | | | |
| Less depreciation written off up to 31-12-38 | Rs. 1,200 | 0 | 0 | | | | 23,179 | 3 | 5 |
| BRANCH PRELIMINARY EXPENSES: | | | | | | | | | |
| Up to 31-12-37 | Rs. 29,092 | 11 | 5 | | | | | | |
| During the current year | Rs. 12,510 | 13 | 3 | | | | | | |
| | Rs. 41,603 | 8 | 8 | | | | | | |
| Less written off up to 31-12-37 | Rs. 11,237 | 2 | 4 | | | | 30,366 | 6 | 4 |
| SAFES & FURNITURE at cost as on 31-12-37 | Rs. 97,069 | 15 | 1 | | | | | | |
| Additions during the year | Rs. 16,212 | 0 | 10 | | | | | | |
| | Rs. 1,13,281 | 15 | 11 | | | | | | |
| Less depreciation written off up to 31-12-38 | Rs. 19,069 | 14 | 10 | | | | 94,212 | 1 | 1 |
| BOOKS & STATIONERY IN STOCK | | | | | | | 35,616 | 12 | 2 |
| BILLS FOR COLLECTION per contra | | | | | | | 5,43,501 | 5 | 11 |
| SUNDRIES | | | | | | | 1,37,700 | 0 | 1 |
| INVESTMENTS: | | | | | | | | | |
| * GOVERNMENT PROMISSORY NOTES of the face value of Rs. 26,55,000 at cost (*Market value Rs. 27,07,859-14-0*) | | | | 27,18,681 | 2 | 6 | | | |
| RERERVE BANK OF INDIA SHARES at cost | | | | 500 | 0 | 0 | | | |
| DEBENTURES OF JOINT STOCK COMPANY of the face Value of Rs. 3,71,700 at cost | | | | 3,71,700 | 0 | 0 | 30,90,881 | 2 | 6 |
| INTEREST ACCRUED ON INVESTMENTS | | | | | | | 18,377 | 9 | 0 |
| CASH AT BANKS | | | | 6,34,660 | 1 | 1 | | | |
| CASH ON HAND | | | | 13,68,728 | 12 | 5 | 20,03,388 | 13 | 6 |
| * G. P. Notes of the face value of Rs. 45,000 have been earmarked for the Employees' Provident & Gratuity Fund | | | | | | | | | |
| Total | | | | | | | 1,15,33,613 | 8 | 1 |

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER 1938.

*Dr.*

| | | Rs. | A. | P. |
|---|---|---|---|---|
| To | Depositors' & other Interest | 4,59,485 | 13 | 10 |
| | Salaries | 1,60,649 | 0 | 11 |
| | Directors' Fees & Honoraria | 6,089 | 4 | 9 |
| | Auditor's Fees & Legal Adviser's Fees | 1,485 | 0 | 0 |
| | Rents, Taxes & Insurance | 84,290 | 9 | 8 |
| | Printing & Stationery | 18,457 | 14 | 7 |
| | Communications | 32,214 | 13 | 8 |
| | Remittance Expenses & Commission | 17,158 | [illegible] | 8 |
| | Depreciation | 6,525 | 2 | 0 |
| | Other Charges | 28,684 | 5 | 5 |
| | NET PROFIT | 1,15,469 | 2 | 9 |
| | Total | 8,70,409 | 6 | 5 |

*Cr.*

| | | Rs. | A. | P. |
|---|---|---|---|---|
| By | Interest | 6,53,415 | 4 | 0 |
| | Commission & Miscellaneous Income | 1,34,260 | 9 | 7 |
| | Interest on G. P. Notes Less Rs. 36,618-5-9 Transferred to G. P. Notes Account | 82,733 | 8 | 10 |
| | Total | 8,70,409 | 6 | 5 |

K. LAKSHMANAN,
*Accountant.*

*DIRECTORS:*—T. R. VENKATARAMA SASTRI, K. SUBBAIYER, R. VISWANATHAN, V. VENKATRAMAN, N. V. RAGHAVAN, K. SIVASWAMI, R. S. A. SANKARA IYER.

S. N. N. SANKARALINGA IYER,
*Managing Director.*

### AUDITOR'S REPORT.

I have audited the above Balance Sheet and Profit & Loss Account with the books of the Head Office, & all the branches in Madras and the certified returns from the other branches and sub-offices, verified the cash and securities at Mayavaram, Karaikudi, Madura and the Madras offices, and have obtained all the information and explanations I have required. I beg to report that the above Balance Sheet and Profit & Loss Account, are, in my opinion, drawn up in conformity with the law, and that the Balance Sheet exhibits a true and correct view of the Bank's affairs as on that date, according to the best of my information and the explanations given to me and as shown by the books of the Bank and that in my opinion, books of account have been kept by the Bank as required by Section 130 of the Indian Companies Act, 1913.

MADRAS,
18th January 1939.

P. S. SUBRAMANIA IYER, B.A., G.D.A., R.A.,
*Registered Accountant, Auditor.*

# Proceedings of Public Bodies

## SOUTHERN INDIA CHAMBER OF COMMERCE.

**Standard design of Business reply Cards and Envelopes.**

The Chamber considered the standard designs of business reply cards and envelopes that the Indian Posts and Telegraph Department proposes to introduce and in reply the Chamber suggested that it is time to increase the size of the post-card and the business reply card to the size of 5⅞" by 4⅛" allowed to cards of private manufacture. Since the difference in cost between postal envelope and the card is only quarter anna and after the recent increase in the minimum weight of the envelope from ½ tola to 1 tola there has been no corresponding liberalisation to the size of the card. The Postal Department has replied that while business reply permit holders should adopt only the standard design of business reply cards as indicated in the specimen forwarded to the Chamber they are free to use any advantageous size provided that the dimensions of such cards are not above 5⅞" by 4⅛" or below 4" by 2⅞".

**Mail Service between Madras and Bombay.**

With a view to improve the postal service between Madras and Bombay the Southern India Chamber of Commerce at the instance of Khan Bahadur P. E. Ghamat, Bombay addressed the Post-Master General, Madras and pointed out that at present the Mail received from Bombay by the Express is not delivered in Madras on the same day but is kept the whole evening and night and is only delivered in the morning at about 11 o'clock along with the mail posted in Bombay seven hours later. Mail despatched from Bombay by the same Express for up-country stations beyond Madras is delivered earlier in those distant places while that the metropolitan city of Madras has no such advantage. If it is to be delivered on the same day it is possible for a party in Bombay to get a reply early morning on the fourth day within 72 hours of posting his letter. Conversely, the mail carried in the Express from Madras could serve to a better purpose if there is sufficient interval for replying to the letters received in the morning mail. As at present the posting before such an early hour in the morning and after the night's mail train is negligible and at the other end, the delivery of the two mails is too near each other. There are several alternatives open. One is to arrange for both Express trains to leave about 13 hours and arrive 15 hours, another is to have sorting arrangement in the Express trains also so that by a slighter modification of train timing, delivery at least in important localities would be feasible; another is to have the weighment system in the mail train and the sorting system in the express. The Department has replied to the Chamber that the proposal to arrange for the Express trains to leave at about 13-0 hours and arrive at 15-0 hours will not result in any advantage unless a sorting section is worked by those trains in which case delivery of the mails can be effected the same day. It is however not possible to open a sorting section in the Express trains, as the former have no connections with the other important sorting mail services at junction stations. The utility of such a sorting section, if opened, will be limited to a few places on the line itself, like Poona, Sholapur and Hyderabad (Deccan)—via Wadi and even these will not derive any appreciable advantage. The establishment of a sorting section by the Express trains exclusively for the purpose of accelerating delivery in Madras or Bombay would scarcely be justified as the expenditure involved would be out of all proportion to the volume of mails handled and the benefits likely to be derived. For similar reasons the proposal to convey mails under weighment system in the mail trains is not possible of acceptance. The service by the mail trains connects at Dhond, Khurdwadi, Hotgi, Wadi, Guntakal, Arkonam and Madras with many other important R. M. S. sections, and if this is disturbed the public would be seriously inconvenienced. As a sorting section is not justified for the Express, if the mails brought by the train under weighment system are to be delivered in Madras on the day of their receipt, the train will have to arrive here at 13-0 hours. In the case of the Madras-Bombay Express, the outward foreign mails despatched from Madras on Friday by the Express arrive at Bombay at 10-10 hours and the interval between this hour and the departure of the mail steamer leaving at 13-0 hours is just sufficient to enable the mails being sorted out and conveyed to the steamer.

**Testing House for Indian Cotton trade and Cotton Textile Industry.**

The Director, Technological Laboratory, Indian Central Cotton Committee, Bombay has invited the opinion of the Chamber on the establishment of a Testing House for the Indian Cotton trade and cotton textile industry. He has added that the need of such organisation has been very keenly felt and many firms dealing with piece-goods and yarn and mills manufacturing these articles were severely handicapped by the absence of suitable facilities for obtaining authoritative and objective reports on samples of their cottons, yarn or piece-goods. It has been recognised that the presence of such legitimate facilities as are available to the textile industries in other countries would be of very great value to the Indian cotton trade and industry in settling disputes between parties or in giving useful information regarding their own products or specimen yarns or fabrics on which they might wish to obtain a complete analytical report. The Indian Central Cotton Committee, in pursuance of its policy of helping the Indian Cotton trade and industry in every possible way, agreed to extend the activities of the Technological Laboratory so as to embrace the work of the Testing House for the cotton trade and industry and sanctioned the amount required for the purchase of additional apparatus and testing machines. The Director has requested the Chamber to furnish information with regard to this Brochure proposed to be issued by him, whether the Chamber would like to have copies only in English or copies of this brochure in vernacular and if the copies be in vernacular in what language it should be and the number of copies required by the Chamber. The Chamber in reply pointed out that they quite appreciated the opening of a Testing House under the auspices of the Indian Central Cotton Committee and found the brochure quite interesting. The Chamber suggested that the two principal languages in vogue in this Province are Tamil and Telugu and it would of course be useful if a translation of the brochure is published in both of them. The Chamber added that 30 English copies and two dozen copies each in Tamil and Telegu could be usefully distributed among the members.

**Display of Indian Goods in America.**

The Chamber had interviews with Mr. H. S. Malik on the eve of his departure to America as Indian Government Trade Commissioner in New York. In the course of the discussions, the Chamber emphasized the necessity of opening show rooms in his office to display chief Indian commodities which would attract the market in America. Subsequently the Chamber corresponded with him and pointed out that the Indian Government Trade Commissioner, Mombasa has since opened show room in his office and has found it very useful. The Indian Government Trade Commissioner in New York has replied to the Chamber that he has reserved a room for this purpose but on account of shortage of funds he has not been able to fit it up with any display material as yet. The position is somewhat different there than in Mombassa as the bulk of the trade with the United States of America is in raw materials and semi-manufactured goods which do not readily lend themselves for purposes of display. At the same time there are a number of beautiful articles which India produces and which come to America either not at all or only in small quantities. He has added that he is fortunate enough to secure for his office what is admittedly one of the finest locations in New York and he is confident that he can fit it up a most attractive room there representative of India's handicrafts. He has invited members of the Chamber to call at his office if they happen to visit New York.



**Madras Port Trust.**

The Chamber's representatives on the Madras Port Trust Mr. K. Sriramulu Naidu and Diwan Bahadur Govindoss Chathurboojadoss retired by efflux of time and Mr. K. Govindan and Rao Sabib T. S. Kachapikesa Mudaliar have been elected in their places respectively.

**Madras University Senate.**

The Southern India Chamber of Commerce has returned unopposed Mr. S. Kannan of Srinivasa Varadachari & Co., and Diwan Bahadur Gopathi Narayanswamy Chetty, C.I.E., to the Senate of the Madras University in the places vacated by efflux of time by Mr. V. M. P. Muthuswamy Chetty and Mr. R. Natarajan.

## BOMBAY CHAMBER OF COMMERCE, BOMBAY.

**Assessment to duty under Section 30 of the Sea Customs Act.**

In October 1938 a member enquired whether in arriving, for Customs purposes, at the value of goods shipped from England it was necessary to add to the net cost, plus freight and insurance, any amount paid by way of commission to a buyer or merchant house in England.

After referring the matter to the Import Sub-Committee, the Committee stated that in their opinion commision charged to a buyer by a merchant house in England must be included in the value of the goods and was assessable.

**Central Advisory Board on Forest Utilisation.**

It was recorded in the Chamber's Report for 1937 that the Committee in replying to a reference from the Government of Bombay stated that in their opinion no useful purpose would be served by the appointment of Provincial Committees on timber utilisation.

In November 1938 the Associated Chambers of Commerce of India forwarded to the Chamber a copy of a letter that had been addressed by the Government of India to all Provincial Governments intimating that in their view more could be done to ensure a close liaison between Forests and Industry by the establishment of a permanent connecting link and that such liaison was not only eminently desirable in the interests of India as a whole but would also result in practical returns of real financial value. The Government of India considered that this could probably best be achieved by the constitution of a Central Advisory Board on Forest Utilisation, whose function would be to advise the Forest Research Institute on the selection of particular problems for investigation, on the initiation of such investigations and on the best means of making practical and beneficial use of their results.

It was proposed that two of the members of the Board should be representatives of the Associated Chambers of Commerce of India and the Association enquired whether this Chamber desired to put forward the names of any gentlemen who would be able and willing to act as the Association's representatives in the event of the proposed Board being constituted.

After consulting members interested the Committee informed the Associated Chambers that they did not desire to put forward the name of a representative and added that they did not consider that any useful purpose was likely to be served by the creation of this Advisory Board.

**Madras Port Trust—December 1938 & January 1939.**

Recorded letter from the Government of India, Department of Commerce, No. 70-M. 1 (5) /38, dated the 7th December 1938, forwarding copy of their letter to the Chairman, Karachi Port Trust, stating that, as the subject "Shipping Casualties" is the concern of the Commerce Department, all reports in that connection should be addressed to that department and not to the Communications department.

Resolved that, in view of congestion in the Board's Transit sheds, action must be taken under paragraph 21 of Scale A of Chapter VI of Part I of Book I (page 64) of the Board's Scale of Rates to avoid further congestion.

The Board therefore directs owners and consignees of rice and grain traffic that cargoes of rice and grain of all sorts imported at the port by any vessel commencing discharge on and after the 9th January 1939 must be removed within four days of the complete discharge of the vessel *excluding Sundays only*.

Further, on all such goods which shall not have been removed the Board's transit sheds within that time, transit dues at the rate of Re 1 per ton per day shall be levied.

The levy of transit dues as above shall continue until the Board is satisfied that there is no serious congestion in its transit sheds.

## Forthcoming Exhibitions

| Name of Exhibition & Place where held. | Probable Date. |
|---|---|
| * Poona Industrial Exhibition Poona | March and April 1939. |
| Seventh All-India Industrial Exhibition, Delhi. | 22nd February, 1939. |
| Leipzig Fair 1939. | 5th to 18th March, 1939. |
| British Industries Fair 1939. | 20th Feb. to 3rd March 1939. |
| Swiss Industries Fair Basle. | 18th to 28th March 1939. |

* The Literature connected with the Exhibition will be inspected in the office.





# Transport

*Postal Notice.*

*Changes in the rules for Foreign telegrams.*

The following changes in the rules for foreign telegrams will be in force from the 1st January 1939.

(*i*) Mixed telegrams—The plain language words in a mixed telegram containing only plain language and cipher will be counted at the rate of five characters to a word *plus* one word for any excess.

(*ii*) Repetition of telegrams—A telegraph office of origin will be at the special request of the addressee of a foreign telegram consult the sender regarding the words of which repetition is desired by him. This request should be made by means of a paid service advice the text of which must bear the special indication "Consult sender." A fee of one rupee and eight annas will be charged for such advice.

(*iii*) Deferred telegrams—Deferred foreign telegrams at one half of the ordinary rate will be subject to a minimum charge equal to the charge for five words at such reduced rate.

(*iv*) Daily letter telegrams—The special service—TMX—(multiple addresses) will be admitted in daily letter telegrams.

(*v*) Posting of telegrams—The system under which foreign telegrams can at present be transmitted by telegraph to Frontier offices in India for onward despatch to destination by post or air-mail will be discontinued.

(*vi*) Telegrams to follow the addressee—After handing in a foreign telegram not bearing the special instruction "To follow" or —FS—or upon receipt of an advice of non-delivery of such a telegram the sender may request the insertion of the indication FS by the office of destination. This request should be made by means of a paid service advice specifying the new address.

*Parcels for Turkey:*

The Turkish Postal Administration has brought to notice that certificates of origin as well as invoices relating to several parcels sent simultaneously by the same sender to the same addressee are frequently included in one of these parcels without making any remark to that effect on the parcel in which the said documents are enclosed. It is hereby ordered that in order to facilitate the observance of customs formalities in Turkey, parcels containing certificates of origin as well as invoices should bear such indication conspicuously.

*Laden weight of Lorries.*

The South Kanara District Board has decided to reduce the laden weight of lorries from 110 cwts. to 100 cwts. during the dry season and to 80 cwts. during the wet season as it has been found that laterite of which most of the culverts are made is much stronger during dry than in wet weather. The reduction of the laden weight has however handicapped the planters in particular.

# RAIL BORNE TRADE OF MADRAS PROVINCE—(*In tons*)

*CHIEF SOURCES † CHIEF DESTINATION

### CEMENT

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 5207.0 | 2712.2 | 1790·9 | 1898.8 |
| February ... | 3552 7 | 2842.1 | 1300.9 | 2012.7 |
| March ... | 5935.0 | 3109.2 | 1065.9 | 2154.2 |
| April ... | 4577.6 | 6186.8 | 947.6 | 2431.1 |
| May ... | 4629.3 | 3556.5 | 809.7 | 3099.2 |
| June ... | 4484 1 | 2858.4 | 1825.5 | 2346.1 |
| July ... | 3314.9 | 2773.1 | 1855.8 | 2020.5 |
| August ... | 3525.1 | 3717.0 | 1836.4 | 2168.5 |
| September ... | 3054 8 | ... | 1938.0 | ... |
| October ... | 1932.3 | ... | 1957.2 | ... |
| November ... | 2413.1 | ... | 1908.1 | ... |
| December ... | 2621.6 | ... | 1965.9 | ... |
| ... | 45247.5 | ... | 19201.9 | ... |

*Nizam's Dominions, Central Provinces † Mysore.

### COFFEE.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 79.6 | 71.6 | 65.8 | 34.1 |
| February | 118.0 | 41.0 | 70.2 | 35.7 |
| March | 138.8 | 92.7 | 24.8 | 29.2 |
| April | 160.2 | 109.9 | 157.4 | 22.8 |
| May | 74.5 | 78.1 | 34.6 | 35.2 |
| June | 101.6 | 51.0 | 33.4 | 21.1 |
| July | 82.1 | 55.8 | 30.6 | 27.5 |
| August | 72.2 | 69.8 | 25.8 | 32.7 |
| September | 88.7 | ... | 33.4 | ... |
| October | 39.0 | ... | 24.5 | ... |
| November | 57.1 | ... | 25.5 | ... |
| December | 45.1 | ... | 42.0 | ... |
| | 1051.9 | ... | 568.0 | ... |

* Mysore. † Mysore.

### COTTON YARN

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 657.4 | 1072.9 | 948.2 | 1041.6 |
| February | 659.0 | 813.7 | 922.1 | 848.2 |
| March | 625.2 | 993.0 | 1028.8 | 760.2 |
| April | 742.2 | 851.7 | 755.5 | 797.7 |
| May | 659.4 | 919.9 | 653.7 | 941.8 |
| June | 588.8 | 979.4 | 850.2 | 784.9 |
| July | 603.9 | 968.8 | 1268.0 | 1067.2 |
| August | 851.4 | 915.7 | 1248.8 | 1054.9 |
| September | 828.7 | ... | 1298.5 | ... |
| October | 775.9 | ... | 709.8 | ... |
| November | 780.8 | ... | 708.8 | ... |
| December | 904.7 | ... | 999.7 | ... |
| | 8672.4 | ... | 11376.1 | ... |

* Bombay and Mysore. † Calcutta Bombay, and Mysore.

### COTTON PIECE-GOODS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 1489.5 | 1100.6 | 634.5 | 647.5 |
| February ... | 1371.8 | 1125.1 | 576.8 | 619.5 |
| March ... | 1239.8 | 1204.4 | 922.9 | 730.9 |
| April ... | 1418.4 | 1203.9 | 670.2 | 621.5 |
| May ... | 1495.6 | 1188.6 | 648.8 | 573.9 |
| June ... | 1298.7 | 1431.6 | 681.2 | 538.6 |
| July ... | 1577.5 | 1206.7 | 535.4 | 493.2 |
| August ... | 1536.6 | 1694.9 | 605.8 | 578.3 |
| September ... | 1794.2 | ... | 651.5 | ... |
| October ... | 1682.4 | ... | 814.6 | ... |
| November ... | 1810.7 | ... | 648.8 | ... |
| December ... | 1951.4 | ... | 707.7 | ... |
| ... | 18666.6 | ... | 7998.2 | ... |

* Bombay and Mysore. † Calcutta, Bombay, and Mysore.

### PADDY.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1931.2 | 1915.6 | 280.0 | 136.5 |
| February | 5780.7 | 4932.9 | 97.9 | 130.1 |
| March | 6154.3 | 6698.4 | 97.2 | 112.6 |
| April | 4911.5 | 3781.5 | 110.5 | 132.6 |
| May | 4924.7 | 5691.8 | 127.8 | 100.0 |
| June | 2988.1 | 3981.7 | 70.5 | 102.8 |
| July | 1742.1 | 1802.8 | 68.1 | 91.4 |
| August | 2010.3 | 891.8 | 48.1 | 1992.6 |
| September | 3297.4 | ... | 42.9 | ... |
| October | 3761.0 | ... | 54.4 | ... |
| November | 2688.3 | ... | 64.9 | ... |
| December | 1514.6 | ... | 200.7 | ... |
| | 41654.2 | ... | 1258.0 | ... |

* Orissa and Central Provinces. † Bombay.

### RICE.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 5267.2 | 10618.4 | 18881.2 | 15976.7 |
| February | 6112.0 | 12918.1 | 18841.3 | 11608.7 |
| March | 5852.2 | 10789 9 | 14486.2 | 12944.1 |
| April | 6820.8 | 10895 5 | 11567.6 | 10010.7 |
| May | 3535.3 | 8005.2 | 7248.1 | 13095.5 |
| June | 4866.0 | 6691 9 | 10091.7 | 16288.9 |
| July | 5688.0 | 5966.7 | 9160.5 | 18809.9 |
| August | 5797.4 | 6781 2 | 9043.4 | 11222.4 |
| September | 7248.9 | ... | 11927.7 | ... |
| October | 14866.9 | ... | 8165.2 | ... |
| November | 13400.4 | ... | 12172.8 | ... |
| December | 14605.4 | ... | 12907.2 | ... |
| | 93055.5 | ... | 188992.4 | ... |

* Orissa, Central Provinces, Bengal Bihar and Punjab. † Mysore, Nizam's Dominions, Bombay.

### RAW HIDES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 1840.8 | 1277.9 | 106.5 | 76.9 |
| February ... | 1675.6 | 689.2 | 60.8 | 73.8 |
| March ... | 1843.9 | 1286.5 | 63.6 | 68.2 |
| April ... | 1012.3 | 728.2 | 95.6 | 35.7 |
| May ... | 2823.2 | 843.4 | 56.6 | 24.7 |
| June ... | 779.2 | 685.8 | 52.4 | 47.6 |
| July ... | 1502.4 | 760.8 | 56.7 | 54.9 |
| August ... | 1546.8 | 1313.6 | 76.8 | 68.2 |
| September ... | 1050.3 | ... | 90 9 | ... |
| October ... | 1036.5 | ... | 86.4 | ... |
| November ... | 406.8 | ... | 45.9 | ... |
| December ... | 849.8 | ... | 97.0 | ... |
| | 1636.6 | ... | 889 2 | ... |

* Bengal, Orissa Central Provinces. † Mysore.

### RAW SKINS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 893.6 | 752.2 | 66.9 | 46.2 |
| February | 781.1 | 728 9 | 57.9 | 48.6 |
| March | 981.5 | 768.5 | 82.2 | 45.3 |
| April | 989.9 | 587.9 | 82.3 | 27.6 |
| May | 884.7 | 848.4 | 65.6 | 24.7 |
| June | 826.1 | 615.1 | 45.4 | 38.1 |
| July | 1024.2 | 542.5 | 58.8 | 52.6 |
| August | 980.1 | 656.9 | 48.6 | 39.8 |
| September | 918.8 | ... | 35.4 | ... |
| October | 834.9 | ... | 51.9 | ... |
| November | 616.1 | ... | 34.8 | ... |
| December | 671.8 | ... | 45.6 | ... |
| | 10302.8 | ... | 670.4 | ... |

* Mysore, Central Provinces, Bombay, Nizam's Dominions. † Mysore.

### LEATHER.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 256.2 | 358.9 | 79.8 | 88 2 |
| February | 199 4 | 278 4 | 58.7 | 65.8 |
| March | 286.0 | 384.5 | 62.6 | 66.9 |
| April | 248.3 | 368.0 | 45.5 | 95.8 |
| May | 262.6 | 402.0 | 58.8 | 57.9 |
| June | 196 4 | 367.9 | 60.8 | 72.2 |
| July | 312.8 | 328.7 | 68.0 | 60.5 |
| August | 214.9 | 447.1 | 90.8 | 68.4 |
| September | 199.7 | ... | 80.9 | ... |
| October | 298.5 | ... | 94 9 | ... |
| November | 215.9 | ... | 94.6 | ... |
| December | 245.7 | ... | 88.8 | .. |
| | 2876.4 | ... | 877.7 | ... |

* Mysore, Nizam's Dominions. † Bengal, Bombay and Mysore.



### IRON AND STEEL GOODS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 7101.2 | 7165.8 | 2497.6 | 1876.9 |
| February .. | 6720.7 | 6559.4 | 3992.7 | 1990.5 |
| March ... | 8839.8 | 9745.1 | 2380.2 | 2132.2 |
| April ... | 7795.2 | 10088.1 | 2386.0 | 2575.4 |
| May ... | 6640.9 | 10521.3 | 2329.6 | 1681.9 |
| June ... | 7594.8 | 7743.8 | 1712.0 | 1066.4 |
| July ... | 8138.7 | 8270.0 | 2348.9 | 2086.5 |
| August ... | 4983.2 | 10064.7 | 1807.9 | 1257.5 |
| September ... | 5065.9 | ... | 1752.0 | ... |
| October .. | 6424.8 | .. | 1562.0 | ... |
| November .. | 5221.1 | ... | 1917.9 | ... |
| December ... | 5747.6 | ... | 1452.0 | ... |
| | 80273.9 | | 26138.8 | .. |

* Behar, Bengal, Mysore, Bombay. † Mysore, Bombay, Nizam's Dominions.

### OIL CAKES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 2069.4 | 4517.1 | 231.1 | 74 4 |
| February | 2402.6 | 3051.7 | 118.0 | 52.4 |
| March | 1242.8 | 4082 7 | 95.0 | 107.2 |
| April | 1963.8 | 5007.6 | 93.2 | 205 6 |
| May | 1970.9 | 3586.6 | 123.3 | 1681.9 |
| June | 1530.7 | 4988.9 | 61.5 | 113.3 |
| July | 2226.1 | 4752.5 | 193 6 | 31.6 |
| August | 2427.8 | 2860.1 | 58.9 | 45.8 |
| September | 1459.0 | ... | 37.7 | ... |
| October | 2306.2 | ... | 25.7 | ... |
| November | 2310.1 | ... | 14.8 | ... |
| December | 4203.4 | ... | 17.9 | ... |
| | 26112 8 | .. | 1070 6 | ... |

* Nizam's Dominions, Mysore, Bombay, Central Provinces, Orissa. † Mysore and Bombay.

### VEGETABLE OILS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 851.6 | 514.5 | 1117.8 | 2609.2 |
| February | 846.3 | 422.9 | 1405.4 | 2158.9 |
| March | 791.6 | 491.7 | 873.3 | 2542.6 |
| April | 1010.3 | 430.6 | 1674.8 | 1864.6 |
| May | 635 3 | 476.2 | 1518.2 | 1893.4 |
| June | 635.3 | 560.6 | 1311.4 | 1826.5 |
| July | 378.3 | 551.2 | 1285.4 | 1787 9 |
| August | 411.8 | 471.3 | 1318.4 | 1284.7 |
| September | 408.5 | . | 1127.2 | ... |
| October | 463.7 | ... | 1345.6 | ... |
| November | 621.8 | ... | 1694.6 | ... |
| December | 522.8 | ... | 2216.2 | ... |
| | 7577.3 | ... | 16888.3 | ... |

* Nizam's Dominions, Mysore, Bombay. † Bengal, Mysore, Orissa, Bombay, Behar.

### CASTOR SEED (In Tons)

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 1958.5 | 546.3 | 45.0 | 22.8 |
| February ... | 2465.3 | 1127.7 | 85.2 | 37.6 |
| March ... | 5023.3 | 732.1 | 154.1 | ... |
| April ... | 4054.6 | 1031.6 | 100.1 | 14.4 |
| May ... | 2142.9 | 383.6 | 39.4 | 1.8 |
| June ... | 741.9 | 368.5 | 16.1 | 6.4 |
| July ... | 1099.3 | 202.9 | ... | 40.9 |
| August ... | 771.2 | 223.6 | ... | 14.4 |
| September ... | 2141.7 | ... | 153.9 | ... |
| October ... | 1174.9 | ... | 82.2 | ... |
| November ... | 260.8 | ... | 106.6 | |
| December ... | 205.2 | ... | 14.4 | ... |
| | 22039.6 | ... | 697.0 | ... |

* Nizam's Dominions, Orissa. † Mysore.

### COTTON SEED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1304 3 | 2552.9 | 36 8 | 3.1 |
| February | 744.5 | 1512.9 | 24.2 | 1.8 |
| March | 1498.8 | 2454.7 | 4.2 | 8 5 |
| April | 2711.4 | 3169.4 | 12.0 | 1.7 |
| May | 2586.4 | 2761.8 | 6.6 | 36.9 |
| June | 1807.4 | 2747.3 | 3.3 | 7 9 |
| July | 1878.8 | 2429.7 | 5.5 | 10.8 |
| August | 2158.0 | 1368.6 | 6.1 | 2 5 |
| September | 1495 6 | .. | 1.4 | ... |
| October | 552.1 | ... | 1.0 | ... |
| November | 1845.3 | .. | .5 | ... |
| December | 2673.1 | ... | 16.4 | ... |
| | 21255.7 | ... | 118.0 | ... |

* Bombay, Nizam's Dominions. † Nizam's Dominions,

### GROUNDNUT.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 11012.9 | 10067.6 | 15062.8 | 6418.4 |
| February | 1406.3 | 4266.0 | 3514.8 | 4236.3 |
| March | 1231.0 | 7251.4 | 2009.7 | 6280.3 |
| April | 806.2 | 3058.0 | 1609.2 | 2207.4 |
| May | 181.9 | 2638.9 | 507.7 | 2659.2 |
| June | 355.0 | 4472.8 | 726.1 | 2610.7 |
| July | 39.5 | 6322.1 | 878.8 | 2918.6 |
| August | 578.7 | 3336.1 | 1242.3 | 1476.4 |
| September | 52.2 | ... | 874.3 | ... |
| October | 103.2 | ... | 1058.9 | ... |
| November | 4900.4 | ... | 815.7 | ... |
| December | 15435.7 | ... | 2896.8 | ... |
| | 36103.0 | ... | 32197.1 | ... |

* Nizam's Dominions, Mysore. † Bombay, Bengal.

### RAPE AND MUSTARD.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 398.4 | 437.7 | 6.6 | 50.7 |
| February ... | 497.4 | 340.9 | 10.6 | 70.6 |
| March .. | 279.1 | 466.9 | 142.7 | 71.9 |
| April ... | 158.9 | 209.7 | 196 4 | 28.7 |
| May ... | 232.9 | 94.9 | 203.5 | 22.2 |
| June .. | 40.2 | 71.5 | 240.3 | 6.9 |
| July ... | 8.6 | 14.6 | 178.1 | 32.9 |
| August ... | 68.5 | 16.6 | 75.8 | 19.4 |
| September ... | 58.5 | ... | 51.9 | .. |
| October ... | 44.7 | ... | 6.9 | .. |
| November ... | 32.5 | ... | 35.2 | ... |
| December ... | 27.4 | .. | 27.8 | ... |
| | 1847.1 | .. | 1230 8 | .. |

* Orissa and Bengal.

### GINGELLY SEED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 2618.5 | 2142.8 | 3.7 | 24 8 |
| February | 3686.5 | 3061.0 | 8.9 | 3.4 |
| March | 946.5 | 2093.1 | 38.8 | 20.7 |
| April | 377.1 | 618.7 | 35.8 | 9.9 |
| May | 961.2 | 971.5 | 72.6 | 6.5 |
| June | 369.6 | 559.3 | 6.4 | 22.9 |
| July | 225.3 | 462.6 | 14.5 | 6.8 |
| August | 741.8 | 888.4 | 2.2 | 4.5 |
| September | 2040.6 | ... | 22.8 | ... |
| October | 2784.1 | ... | .8 | ... |
| November | 1660.2 | ... | .1 | ... |
| December | 3333.3 | ... | 14.9 | ... |
| | 19744.7 | ... | 221.5 | ... |

* Nizam's Dominions, Orissa, Central Provinces. † Mysore and Orissa.

### SALT.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1325.0 | 1107.9 | 5376.8 | 3816.3 |
| February | 1179.9 | 771.1 | 4641.1 | 2144.9 |
| March | 2029.2 | 2648.7 | 3270.0 | 2884 |
| April | 3658.9 | 2188.6 | 5137.8 | 46[illegible] |
| May | 3567.3 | 1724.9 | 4967.4 | 5[illegible] |
| June | 316.1 | 29.5 | 4477,4 | |
| July | 7.5 | 6.8 | 2843.6 | |
| August | ·7 | 4.8 | 2416 | |
| September | 1.4 | ... | 26[illegible] | |
| October | 15.4 | ... | 3[illegible] | |
| November | 176.6 | ... | | |
| December | 606.0 | ... | | |
| | 12884.0 | . | | |

* Bom[illegible]

### SUGAR—REFINED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 11465.2 | 5839.9 | 599.8 | 809.8 |
| February ... | 10814.7 | 5309.8 | 250.0 | 1578 5 |
| March ... | 7798 2 | 8682.9 | 546.9 | 1247.5 |
| April ... | 7011.3 | 8918.8 | 749.7 | 647.8 |
| May ... | 6349.9 | 6282.8 | 722 6 | 762.5 |
| June ... | 3379.2 | 9458 9 | 787 4 | 1172.4 |
| July ... | 3965.6 | 5541 0 | 795.8 | 870.1 |
| August ... | 4356.3 | 3154.5 | 651.8 | 11991 |
| September ... | 4984.4 | ... | 479.9 | ... |
| October ... | 7738.3 | ... | 773.0 | ... |
| November ... | 5686.9 | ... | 1070.8 | ... |
| December ... | 4285.4 | ... | 755.6 | ... |
| ... | 77885.4 | .. | 8182.8 | ... |

* United Provinces, Behar, Mysore. † Bombay, Nizam's Dominions, Mysore, Orissa.

### JAGGERY AND MOLASSES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 878.9 | 151.5 | 1104.7 | 2760.4 |
| February | 700.8 | 491.9 | 2571.9 | 4161.5 |
| March | 847.9 | 806.2 | 3228.6 | 8886 1 |
| April | 1014.8 | 158.8 | 3226.6 | 2244.8 |
| May | 1097.3 | 184.9 | 1956.4 | 1791.6 |
| June | 367.8 | 208 0 | 1066 6 | 994.5 |
| July | 469 7 | 71.8 | 1857.2 | 1884.9 |
| August | 256.7 | 101.4 | 987.5 | 1258.7 |
| September | 801.2 | ... | 1042.1 | ... |
| October | 241.8 | ... | 1081.6 | ... |
| November | 102.0 | ... | 1412.9 | ... |
| December | 92.6 | ... | 1898.6 | .. |
| | 5871'0 | ... | 20864.7 | ... |

* United Provinces, Mysore, Punjab. † Bombay, Nizam's Dominions, Mysore & Central Provinces.

### TEA.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 55.9 | 86.8 | 808.9 | 820.8 |
| February | 64.7 | 75.4 | 268.4 | 814.8 |
| March | 60.9 | 104.9 | 811.7 | 858.8 |
| April | 98.6 | 88.8 | 817.6 | 252.9 |
| May | 89.9 | 185.4 | 880.9 | 855.8 |
| June | 68.7 | 104.8 | 888.6 | 855.5 |
| July | 50.8 | 74.2 | 840.8 | 884 0 |
| August | 71.9 | 125.7 | 699.8 | 884.2 |
| September | 88.1 | ... | 847.1 | ... |
| October | 54.2 | | 409.6 | ... |
| November | 92.5 | ... | 888.1 | ... |
| December | 105.5 | ... | 882.1 | ... |
| | 891.2 | ... | 4827.6 | ... |

* Calcutta. † Bombay, Mysore.

### RAW TOBACCO.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 104 1 | 148.7 | 1018.4 | 2191.7 |
| February ... | 287.8 | 428.8 | 1014.4 | 1389.9 |
| March ... | 425 8 | 651.8 | 1418.1 | 1946.4 |
| April ... | 896.4 | 427 4 | 1175.5 | 1545 9 |
| May ... | 419 9 | 810.5 | 1579.1 | 1808.0 |
| June ... | 170.8 | 188.7 | 1148.4 | 1181.9 |
| July ... | 151.5 | 270 3 | 1098 6 | 1012.9 |
| August ... | 189.8 | 261.3 | 886.7 | 1106.7 |
| September ... | 148.6 | ... | 774.1 | ... |
| October ... | 189.6 | ... | 1588.1 | ... |
| November . | 178.3 | ... | 1412.5 | ... |
| December ... | 87.7 | ... | 2418.5 | ... |
| .. | 2639.8 | .. | 15512.4 | ... |

* Mysore. † Mysore, Bombay, Calcutta, Orissa, Behar.

### WOOD AND TIMBER.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 5747.8 | 5158.7 | 1075.8 | 644.5 |
| February | 9462.4 | 5784.8 | 777.1 | 970.1 |
| March | 7738.4 | 6371.2 | 1489.1 | 1068.9 |
| April | 5717.4 | 6582.8 | 916.1 | 1225.2 |
| May | 7848 5 | 4698.2 | 1157.7 | 710.5 |
| June | 7882.0 | 4212., | 1164.4 | 1115.9 |
| July | 5868.8 | 2875.8 | 1854.5 | 1085.8 |
| August | 2970.5 | 1984.2 | 1827.7 | 984.4 |
| September | 1958.5 | ... | 1190.7 | ... |
| October | 1584.7 | ... | 1877.4 | ... |
| November | 2286 4 | ... | 828.8 | ... |
| December | 8627.8 | ... | 710.9 | ... |
| | 61582.2 | ... | 18865.2 | ... |

* Orissa, Nizam's Dominions, Central Provinces, Mysore, Bombay. † Mysore.

### RAW WOOL.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 93.1 | 16.2 | 145.0 | 26.1 |
| February | 117.4 | 47.8 | 182.8 | 47.4 |
| March | 69.4 | 28.6 | 168.7 | 26.2 |
| April | 80.8 | 9 4 | 59.0 | 48.9 |
| May | 56.8 | 8.9 | 69.1 | 47.4 |
| June | 45.9 | 12.4 | 18.6 | 854 |
| July | 16.8 | 18.8 | 64.4 | 61.4 |
| August | 55.1 | 86.5 | 48.5 | 54.6 |
| September | 88.9 | ... | 126 8 | .. |
| October | 58.5 | .. | 71.7 | ... |
| November | 21.0 | ... | 54.8 | |
| December | 1.6 | ... | 87.7 | |
| | 654.8 | ... | 1046 6 | |

* Bombay. † Bombay.

## PORT OF COCHIN

*Principal Commodities imported and exported in Oct. and Nov. 1938.*

**Imports** (Tons.)

| | Oct. 1938 | Nov. 1938 |
|---|---|---|
| Grains ... | 21,284 | 16,818 |
| Oils ... | 6,964 | 12,611 |
| Coal ... | | 89 |
| Sugar ... | 1 | 1 |
| Machinery .. | 1,156 | 1.070 |
| Cement ... | 885 | 718 |
| Miscellaneous ... | 8,191 | 5,147 |

**Exports** (Tons)

| | Oct. 1938 | Nov. 1938 |
|---|---|---|
| Coir Produce ... | 2,861 | 2,917 |
| Tea ... | 1,507 | 1,640 |
| Coconut oil | 218 | 418 |
| Rubber ... | 818 | 889 |
| Coconuts ... | 624 | 484 |
| Cashew Kernels... | 1,184 | 808 |
| Miscellaneous | 8,692 | 4104 |





# FINANCE

## *Treasury Bills Position*

(In Thousands of Rupees)

| Week-ending 1938 | | Treasury Bill sales. | Average Discount etc. | Total Outstandings etc. |
|---|---|---|---|---|
| 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 9 | 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 |
| ,, | 28 ... | 1,50,00 | 0 11 0 | 16,97,00 |
| August | 4 ... | 1,50,00 | 0 10 1 | 16,47,00 |
| ,, | 11 ... | 1,50,00 | 0 9 10 | 16,47,00 |
| ,, | 18 ... | 2,00,00 | 0 9 8 | 17,47,00 |
| ,, | 25 ... | 2,00,00 | 0 9 11 | 18,47,00 |
| September | 1 ... | 2,00,00 | 0 10 10 | 19,81.75 |
| ,, | 8 ... | 2,00,00 | 0 11 10 | 20,99,75 |
| ,, | 14 ... | 2,00,00 | 0 12 11 | 21,99,75 |
| ,, | 22 ... | 2,00,00 | 1 0 9 | 22 99,75 |
| ,, | 29 ... | 1,16,25 | 1 8 3 | 23,16,00 |
| October | 6 ... | 2,00,00 | 1 6 5 | 24,16,00 |
| ,, | 14 ... | 2,00,00 | 1 5 1 | 24,66,25 |
| ,, | 20 ... | 2,50,00 | 1 5 3 | 25,66.25 |
| ,, | 27 ... | 3,00,00 | 1 5 10 | 27,16,25 |
| November | 3 ... | 3,00,00 | 1 5 8<br>1 4 0 | 28,66,25 |
| ,, | 10 ... | 2,65,50 | 1 5 10 | 29,81,75 |
| ,, | 17 ... | 3,05,00 | 1 6 8 | 31,36,75 |
| ,, | 24 ... | 3,68,75 | 1 7 9 | 33,05,50 |
| December | 1 ... | 2,58,75 | 1 10 4 | 33,59,25 |
| ,, | 8 ... | 2,10,50 | 1 13 6 | 33,69,75 |
| ,, | 15 ... | 1,68,25 | 2 1 6 | 33,38,00 |
| ,, | 22 ... | 1,14,00 | 2 3 10 | 30 52,00 |
| ,, | 29 .. | 1,12,00 | 2 8 10 | 30,47,75 |
| Jan. 5 1939 | ... | 1,09,00 | 2 9 2 | 29,56,75 |
| ,, | 12 ... | 1,58,50 | 2 10 0 | 31,10,25 |
| ,, | 19 ... | 1,70,00 | 2 9 0 | 30,80 25 |

### Currency Notes issued in India and Burma
(In Crores of Rupees)

| | 1935 | 1936 | 1937 | 1938 |
|---|---|---|---|---|
| January ... | 184 | 194 | 204 | 213 |
| February ... | 182 | 194 | 208 | 213 |
| March ... | 186 | 195 | 208 | 214 |
| April .. | 186 | 195 | 208 | 214 |
| May ... | 186 | 196 | 207 | 214 |
| June ... | 187 | 198 | 208 | 214 |
| July ... | 110 | 201 | 212 | 213 |
| August ... | 192 | 202 | 213 | 215 |
| September ... | 195 | 203 | 213 | 212 |
| October ... | 194 | 203 | 214 | 209 |
| November ... | 195 | 202 | 214 | 208 |
| December ... | 194 | 201 | 214 | 206 |

### Gold Exports from India
(In Lakhs of Rupees)

| | 1935 | 1936 | 1937 | Current Deposits. 1938 | Time Deposits. 1939 |
|---|---|---|---|---|---|
| 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;45 | ... |
| 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 | 3;05;05 | ... |
| August ... | 6,76,96 | 2,25,74 | 1 44,01 | 2;01;15 | .. |
| September .. | 3,71,91 | 2,21,31 | 1,44,81 | ... | ... |
| October ... | 3,04,63 | 2,19,07 | 1,30 46 | 1,34,21 | 1,06,30 |
| November ... | 3,96,16 | 3,58,28 | 1,17,57 | 1,33,83 | 1,06,40 |
| December ... | 2,77,62 | 1,55,71 | 1,65,73 | 1,30,15 | 1,08,44 |
| Total ... | 44,22,27 | 33,15,94 | 18,27,74 | | |

## Pending Tenders

| Goods. | Last Date of Application. | Address for Application. |
|---|---|---|
| Fire Bricks and Fire Clay. | 14th March 1939. | Railway's Controller of Stores, Perambur, Madras. |
| For erection of the additional Equipment at Coimbatore Sub-station. | 8th March 1939 | Executive Engineer, Electrical and Mechanical Divison, Chepauk, Madras. |

## Current and Time Deposits of Scheduled Banks in India and Burma

(In Lakhs of Rupees).

| Month. | Current Deposits. 1937 | Current Deposits. 1938 | Time Deposits. 1937 | Time Deposits. 1938 | Total. 1937 | Percentage of Cash to liabilities. 1937 |
|---|---|---|---|---|---|---|
| January ... | 132,80 | 130,19 | 102,60 | 110,00 | 235,60 | 9,81 |
| February ... | 131,30 | 129,03 | 103,40 | 110,13 | 235,60 | 10,93 |
| March ... | 133,20 | 128,58 | 104,70 | 108,27 | 238,90 | 12,02 |
| April ... | 135,54 | 128,04 | 105,63 | 110,09 | 238,10 | ... |
| May ... | 134,51 | 127,28 | 107,38 | 110,43 | 237,70 | .. |
| June ... | 133,19 | 127,14 | 106,05 | 107,70 | 234,80 | ... |
| July ... | 133,64 | 129,71 | 108,42 | 107,11 | 236,80 | ... |
| August ... | 134,00 | 129,27 | 110,27 | 106,97 | 236,20 | ... |
| September ... | 132,95 | 131,16 | 110,18 | 101,21 | 232,40 | ... |
| October ... | 134,28 | ... | 109,45 | ... | ... | ... |
| November ... | 135,66 | ... | 108,98 | ... | ... | ... |
| December ... | 131,53 | ... | 110,96 | ... | ... | ... |

## 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 | 75,79 | 1930—31 | 50,36 | June ... | 7,28 | March ,, ... | 9,50 |
| 1921—22 | 39,54 | 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 | 56,80 | 1935—36 | 69,23 | Nov. ... | 7,65 | August , ... | 7,04 |
| 1926—27 | 54,53 | 1936—37 | 91,39 | Dec. ... | 9,25 | September ,, ... | 9,46 |
| 1927—28 | 59,79 | | | | | October ,, ... | 6,98 |
| | | | | | | November ,, ... | 6,81 |

## 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 | 4,667 |
| April ... | 3,570 | 5,480 | 18 |
| May ... | 1,000 | 95 | Nil |
| June ... | 2,225 | 985 | Nil |
| July .. | 2,555 | 425 | 415 |
| August ... | 1,430 | 753 | 255 |
| September ... | 3,565 | 80 | ... |
| October ... | 5.000 | 3,035 | ... |
| November ... | 4,000 | 650 | ... |
| December ... | 8,314 | 570 | ... |
| Total ... | 42,699 | 33,946 | ... |

| | |
|---|---|
| Total Purchase of sterling in 1933 ... | 27,900 |
| ,, ,, ,, , 1934 ... | 47,459 |
| ,, ,, ,, ,, 1935 ... | 28,961 |
| ,, ,, ,, ,, 1936 ... | 42,699 |
| ,, ,, ,, ,, 1937 ... | 33,946 |

## FOREIGN AND COASTING TRADE

### MADRAS PROVINCE

*Merchandise Imports from and Exports to Foreign Countries*

| | Imports 1937 | Imports 1938 | Exports 1937 | Exports 1938 |
|---|---|---|---|---|
| January ... | 143,11,157 | 222,01,632 | 315,48,992 | 286,80,051 |
| February .. | 110,87 550 | 220,34,055 | 372,91,609 | 310,51,101 |
| March . | 143,76,715 | 296,46,619 | 480,04,037 | 438,55,666 |
| April .. | 235,27,846 | 206,77,387 | 351,61,208 | 284,46,598 |
| May . | 255.10.528 | 236,92,211 | 336,50,600 | 307,15,005 |
| June .. | 235,19,653 | 213,55,047 | 348,16,106 | 302,45,497 |
| July .. | 282,82,961 | 185,31,779 | 373,45,513 | 313,55,212 |
| August ... | 229,18,142 | 183,74,370 | 289,72,685 | 277,65,899 |
| September .. | 312,77,968 | 148,77,946 | 310,33,428 | 301,38,438 |
| October .. | 191,48,802, | 178,90,375 | 276,34,179 | 269,74,001 |
| November ... | 224,76,438... | 215,30,001 | 256,54,502 | 276,64,308 |
| December .. | 181,99,513 | ... | 253,45,214 | ... |

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

| | Imports 1937 | Imports 1938 | Exports 1937 | Exports 1938 |
|---|---|---|---|---|
| January .. | 98,70 132 | 107,64,550 | 69,01,705 | 68,95,131 |
| February .. | 79,42,578 | 86,94,662 | 58,08,630 | 57,88,494 |
| March .. | 82,10,848 | 110,42,485 | 72,90,844 | 87,11,040 |
| April .. | 80,61,102 | 78,18,095 | 91,15,166 | 59,60,520 |
| May . | 72,71,028 | 79,71,660 | 82,29,569 | 56,38,693 |
| June .. | 132,69,348 | 59,45,217 | 59,98,376 | 61,59,579 |
| July ... | 104,41,462 | 73,50,189 | 46,18,492 | 52,48,107 |
| August ... | 93,15,567 | 64,70,097 | 70,46,372 | 33,27,696 |
| September ... | 72,58,936 | 58,02,074, | 47,07,120 | 59,10,506 |
| October ... | 61,40,536 | ... | 63,82,223 | ... |
| November .. | 81,29,636 | ... | 55,43,058 | ... |
| December . | 79,75,652 | ... | 56,87,737 | .. |



# News and Notes

**Petroleum production of India including Burma.**

The geological survey of India for 1937 shows petroleum production of India including Burma as the highest in the history of the industry. It was 334,811,624 gallons in 1936 which increased to 350,322,222 gallons in 1937. The increases were chiefly from Singu, Attock, Thayetmyo and Digboi. India's percentage in the world production is still as low as .5 per cent of which .4 is from Burma and .1 from India proper. U. S. A. produced 62.7 per cent, Russia 9.9 per cent, Venezuela 9.2 per cent, Iran 3.8 per cent, Netherlands Indies 2.6 per cent and Roumania 2.5 per cent.

**British Industries Fair 1939.**

The British Industries Fair 1939 will be held in London from 20th February to 3rd March 1939. There will be five Government of India official stands which will be allocated Empire carpets and floor coverings, fancy goods, general merchandise and sports goods sections, and which will cover a wide range of raw materials, food products, leather, jute webbing, cotton and silk fabrics, cotton, silk and woollen underwear, water proofs, tropical helmets and soaps and toilet preparations, numdahs, coir mats, sports goods and arts and crafts wares. Coffee will be given a separate stall and there will be a special exhibit of shellac. A special staff of salesmen will be employed for booking trade orders. At the last fair over a lakh of rupees worth of orders were booked.

**Invoice Certificates**

The Collector of Customs, Madras, has announced that when importers ask for certification by the Customs Authorities of invoices prepared locally which show the values in rupees against the values shown in foreign currencies in the original invoices the rate of exchange adopted should be invariably given.

**Bank Amalgamation.**

The incorporation of the business of the P. & O Bank into that of the Chartered Bank is the logical sequel of the acquisition in 1927 by the Chartered Bank which now holds 82 per cent of the P. & O. Bank's issued shares. The whole of the £2,594,610 to be paid by the Chartered Bank of India, Australia and China to shareholders of the P. & O. Banking Corporation for their shares will be in cash. The purchase money will be distributed among the shareholders *pro rata* to their interest. Stamp duties and all expenses will be borne by the Chartered Bank. The net effect will be that on the winding up of the P. & O. Bank each shareholder will receive £ 10 per share without any deduction. The present market price is £7¼ to £8¼.

**Prevention of Coffee industry from destruction by Coffee stem Borer.**

Coffee planters in Mysore have been discussing the comparative merits of tar emulsion, tar distillate and mortegg which are in use for destroying coffee stem borer. They have addressed the Authorities of the Badravathi Iron Works to reduce the price of tar emulsion to Re 1 a gallon for the next 2 years. Experiments are being made with promising results for the use of cashew nut oil as a disinfectant.

**Propaganda for Tea in Mysore.**

Tea interests in Mysore have asked the coffee section for its views on the proposal of the Indian Tea Marketing Expansion Board for doing some intensive propaganda for tea in Mysore State. As it was bound to affect coffee interests they have finally decided to ask the Board not to do tea propaganda in the State.

**Indian Sandhurst Committee.**

The Government of India have appointed a Committee with the following terms of reference "to examine the process of Indianisation of officers' ranks of the Indian Army with a view to determining whether the results achieved justify the acceleration and if it appears from examination they do not, to consider such alteration in the system of recruitment to the Indian Military Academy as may be expected to lead to the improvement in the number of suitable candidates and to make recommendations." The personnel of the Committee is as follows: Lt. -Gen. Sir R. C. Wilson, K.C.B., D.S.O., N.C., Adujutant-General in India, Chairman, the hon Sir A. P. Patro, the hon. Rai Bahadur Lala Ramsarandas, the hon. Mr. V. V. Kalikar, the hon. Nawabzada Khurshid Ali Khan, Capt. Sardar Sir Sher Mahomed Khan, Capt. Sardar Bahadur Dalpat Singh M.L.A., (Central), Lt. Col. M. A. Rahman, I.M.S., M.L.A., Mr. P. R. Damzan, M.L.A., (Central), Khan Bahadur Nawab Muzzaffar Khan, Sir Joginder Singh, Dr. B. S. Moonje, Mr. C. M. G. Ogilvie, I.C.S., M.L.A., Defence Secretary to the India Government and Brigadier R. D. Inskip, Commander First Abbottabad Infantry Brigade. The date of the meeting of the Committee will be notified in due course. The personnel and the terms of reference hardly follow the spirit of the resolution of the Central Legislative Assembly and it would be futile to expect any good out of the recommendations of the Committee constituted as it is.

**H. E. the Viceroy on Rupee Question.**

In replying to the Bombay Indian merchants' Chamber's address His Excellency the Viceroy reiterated the Government's mind with regard to the rupee ratio. While we have no quarrel with the Government's decision to stand by the ratio we have reason to dispute his formula that the present official ratio is in the best interests of the agriculture and industry and that the Government are in a position of ample resources to sustain the ratio against all odds. His Excellency in the course of his speech, said: "My Government have, as they recently made clear, no intention of allowing the lowering of the present exchange value of the rupee; that they intend to defend it by every means in their power; and that they are confident a fact, the significance of which will, of course, be present to you as representatives of great commercial interests) of their entire ability to maintain it..............I am satisfied that there is no foundation for the suggestion that the maintenance of the ratio has been disadvantageous to the agriculturist. I am satisfied, indeed, that to lower the ratio in the market conditions, internationally of the present day, would result in no rise that matters in what the cultivator can realise for his produce; that it would immediately and sharply increase the cost of what he buys; and that its effect on the budgetary position of the Centre and of the Provinces could not but be of a character which would injuriously affect the tax-payer, wheher urban or agricultural."

**Indian Tobacco.**

The London Correspondent of the "Capital" writes as follows about the prospects of Indian tobacco in the London market:—"Indian tobacco growers should note the fears of over-production prevalent in East Africa and Canada. The Ontario Flue-cured Tobacco Marketing Board is concerned that though the prices fixed by it for 1938 was less than in the previous year, the crop was larger and about a seventh of it remains unsold. British manufacturers are very well stocked with Empire tobaccos, including Indian tobacco. On the basis of requirement in 1937, stocks of Indian tobacco here are sufficient for nearly 3½ years. In Nysaland the flue-cured tobacco acreage is controlled in anticipation of the possibility off declining prices; Nyasaland has reorganised its system of tobacco marketing so as the producer should obtain a greater share of the purchase price and it is significant that as soon as this started, imports increased at once. There is a moral here for India not only about tobacco, but about marketing for export generally."

**London Market for Indian Goods.**

The report of the Indian Trade Commissioner 1937-38 brings out interesting points about the prospects of Indian goods in British markets. The English consuming public are showing more and more aversion to hot pickles and chutneys. The sweet sliced mango chutnies of various kinds retain their hold on the market and even show better demand. The wholesale price varied from 5 sh. to 5 sh. 6d. a gallon for the medium quality and about 6 sh. for the higher grades. Chutney sauce was selling at 9d. a bottle. Curry powder was found to be gaining in popularity but the darker type was more favoured than the lighter. First grade Madras curry powder was quoted at 6d. to 6½d. per lb. c. i. f., London in bulk and lower grades at 4½d. a lb.

In canned fruits India is faced with the competition of Japan mangoes canned in smart and attractive tins containing well graded slices and clear syrup selling at 9 to 10 sh. per dozen wholesale for 1½ lb. net size tins as against 16½ sh. a dozen of Indian canned mangoes of the same size.

The popular form of preserved ginger in the London market is the stem ginger. Cut in slices and preserved in very thick syrup most of which comes from China and a small quantity from the West Indies. It is usually imported in one cwt. casks at the landed duty-paid price of 4d. to 5d. per lb., and is sold to the retailer in fancy jars of the net contents of 1¼lb. at 7 sh. 6d. to 10 sh. 6d. per dozen and price quoted for Indian ginger is 13sh. 6d per dozen bottles of 1 lb each net c. i. f. London exclusive of customs duty and landing charges.

The jack fruit jam is not liked owing to its smell. The pine-apple marmalade and bannana jam are found to be too sweet and their brownish colour was unattractive. Golden colour would be preferable. Moreover their prices were much higher than those of similar jams on the market. They are retailed in London at about 8d. per lb. tins whereas the Indian wholesale price, exclusive of duty and landing charges was quoted at 10½d. c. i. f. London.

Among arts and crafts ware elephant gongs and cigar and cigarette boxes were among the best sellers. The latter, however, were found wanting in finish in that the hinges in most cases were disproportionate and fixed indifferently, and the cedar-wood lining showed signs of warping.

Leather suit cases, portfolios, ladies' handbags, etc. can sell if they are of a high order of style and finish. At present the quality of the



leather used is quite good but the finish is imperfect and prices are too high.

The trade in coir mats and mattings is increasing steadily. Coir matting in its modern form is tending to become one of the most popular of economical floor coverings and it is believed that it will remain popular if artistic designs and attractive colourings are combined in its production. The greater portion of the demand is for rugs of the reversible type up to 6ft. in length, but the demand is increasing also for big lengths and rolls which can be cut and joined to cover rooms of any size. Coco mats for doorways, gymnasia, etc., are also widely in demand and semi-circular shapes in these are becoming more popular.

The bulk of the orders for carpets and numdahs was again for the medium-priced grades such as "Malabars," "Cawnpores," "Mirzapurs" and "Calcuttas." The tendency is gaining ground for plain and semi-plain designs with not more than two major colours and with less strong contrasts. The modern movement in carpet appears to be not so much towards the bizarre as towards simplicity in colour and design and the demand for fairly long and narrowish carpets is on the increases contrasted with the more or less standard and more square proportions. In numdahs the half and quarter sizes are more popular than the full sizes.

**India's Trade with Italy.**

The following are points of interest made out in the quarterly report of the Indian Trade Commissioner, Milan for the quarter July to September 1938. The use of home-grown and synthetic fibres by the textile mills is increasing. In 1938 some 8,000 metric tons of cotton have been grown against 900 metric tons with admixture with helm, staple fibre and other substitutes and the use of synthetic fibres by the industry has increased from 12,000 metric tons in 1934 to 63,500 metric tons in 1937. Hemp processed so as to be spun with cotton is used in increasing quantities with excellent results. Great progress is reported in the production of cellulose from straw and reeds. By 1942 the ouput will exceed 2,00,000 metric tons to 400,000 metric tons. The acreage under flax is being enlarged and experiments show that ramine fibre can be successfully used to replace imported jute. The ratio of imported to home-grown wool used by the mills in the manufacture of goods sold on the home market has fallen from the form 6 to 1 to 50-50. The cost of all imported fibres is now amply covered by exports of Italian cotton and woollen manufactured goods. With the expansion of the increase in the imports of manganese there was a decline in the import of most of the principal commodities from India particularly oilseed, jute, cotton and raw hides.

The Trade Commissioner received enquiries from firms in Hungary for Indian export of soapstone, coffee, groundnut, shellac, topioca, drugs and herbs.

**India's Trade with Germany.**

The following points are made out in the monthly report by the Indian Government Trade Commissioner, Hamburg for the month of November 1938. There was a lively business in cotton waste but export of German cotton goods declined and as a result the import of Indian cotton was affected. The decline is more striking in view of the fact that total German imports of cotton show an improvement during the current year of over 10 per cent. Brazil now tops the list of the suppliers of cotton to Germany, with the United States a very poor second and Egypt occupying the third position and India fourth. The import of coromandel groundnut is being seriously affected by soya beans which was preferred to the former. One reason for the preference given to soya beans over coromandel groundnut is that there exists special arrangement for the payment to Manchuria. Most of Germany's supplies of hides and skins came from South American markets.

The trend of imports of hemp shows that the German market is practically lost to Indian hemp, which was only ⅓ of what it was in 1936. India has gained in coir yarn at the expense of Ceylon.

The import of coffee from India has also declined. The total imports from the period January to November of the current year are less than a quarter of what it was in the previous year. It is over 1/10 of what it was in 1936.

Indian tea however is gaining ground in the German market the share increasing from 35.9 per cent in 1936 to 59.5 per cent in 1938.

**Control of Dealings in Stocks and Shares.**

The Government of Madras had circulated recently a proposal to the commercial bodies for introducing legislation with a view to control business of dealings in stocks and shares and securities. In response to it there was a large volume of opinion that it was time that some sort of control was introduced. In this connection it would be interesting to note that there was a Departmental Committee appointed by the Board of Trade in the United Kingdom in 1936 under the chairmanship of Sir Archibald Bodkin to consider the operation commonly known as share pushing, share hawking and similar activities and to report what, if any, action was desirable. That Committee reported in July 1937 as a result of which a bill entitled Prevention of Fraud (Investments) has been introduced in the British Parliament. The chief recommendations of the Committee were as follows:—

'After an appointed date it should not be lawful for any person to transact business in stocks and shares, with the exceptions mentioned in Appendix V, with any member of the public or to hold himself out as transacting such business unless he is registered or exempt from registration" .............." The Board of Trade should appoint a Registrar whose duty should be to keep a register of the names and addresses of registered dealers in stocks and shares and the expenses of the Registrar should be met by fees payable on registration and annual renewals thereof, such fees to be fixed by the Board of Trade from time to time............Persons exempt from registration should be the members of existing stock exchanges" etc.

**Review of the Cotton position.**

The East Indian Cotton Association Annual Report for 1937-38 (Sept-August) gives interesting review of the position of cotton in 1937-38.

**"In view of the large American crop, markets in India were faced with a serious difficulty in the marketing of the Indian crop particularly as Japan, normally India's best buyer was beset with an inability to find anything like the foreign exchange required for normal cotton imports. The war in Spain as well as a lack of foreign exchange available in Italy and Germany further lessened the prospects of a good export season. The Indian crop, however, was then estimated about seven** lakhs of bales less than the previous year and Indian mills benefitting considerably not only in India but elsewhere by Japan's diminished exports of cloth, increased production to a point which resulted in a record consumption of around of 30 lakhs of bales of Indian cotton. Furthermore a holding movement of considerable strength developed in this country. Oomras especially being held back and seldom pressing on up-country markets. Owing to this series of circumstances considerable resistance was offered to American pressure at the low price level." Consumption of Indian cotton in the Japanese mills decreased from 2,567,059 bales in 1936-37 to 1,130,269 bales in 1937-38. It will however be noted that the total consumption of other cotton such as American and Egyptian cotton was also reduced during the two periods from 2,368,710 bales to 1,621,726 bales.

**Chamrajnagar-Satyamangalam Railway Extension.**

**The Railway Board has at long last agreed to have another of the many re-surveys which have marred the history of the question. The Mysore Government is to undertake the survey very shortly at its own cost and in the event of the eventual construction of the railway the cost** will be borne by the Government of India. It **is still very uncertain how long the survey will take and whether the points at issue between the Railway Board and the Mysore Durbar will have a fair settlement so that the construction may be undertaken without further delay.**

The question is at least as old as 1891. In 1909 the South Indian Railway conducted a survey between Nanjankad and Erode an in 1926 the Mysore Durbar extended their railway system from **Nanjankad** to Chamrajnagar. Chamrajnagar in Mysore State is only 11 miles from the frontier while Satyamangalam is 45 miles farther away from the frontier and Mettupalayam another 30 miles. One curious feature of the very many surveys held is that widely differing estimates of cost have been given. In 1912 the cost was estimated at 76 lakhs. A later survey put it down at 83 lakhs. Further in 1928 the South Indian Railway's estimate was 191 lakhs. Further in 1932 the same railway reduced it to 163 lakhs. There could be no question about the importance of the further stretch of railway for linking up the metre gauge system at the north with south Indian metre gauge lines. It will bring Coimbatore with 97 miles of Chamrajnager instead of 384 miles at present and Ootacamund within 153 miles from Mysore instead of 399 miles. Estimates of traffic loss are similarly of a varying nature but it is expected that the line would before long pay itself. This question formed the subject of repeated discussion in the Southern Indian Chamber of Commerce with the Railway Board Members and in July 1938 both the Mysore Chamber and the Southern India Chamber of Commerce jointly stressed the importance to the attention of the Chief Commissioner and Financial Commissioner of Railways during their visit to Madras. It is gratifying to note that the Railway Board has at last agreed for a re-survey.

**Assessment of Customs Duty.**

The Bombay Chamber of Commerce in their recent address to His Excellency the Viceroy drew pointed attention to the present practice of assessing customs duty on market values of goods which included several other items over and above the landed cost of the goods. The former practice of Customs Authorities is to assess goods on the wholesale cash price of goods in the market failing which assessment is made at the invoice price. As the Bombay Chamber of Commerce rightly pointed out the wholesale cash price sometimes includes such extraneous items such as warehousing charges, wholesaler's profits, and sometimes even railway freight. The Government could not be unaware that the present policy of manufacturer is to give free delivery of goods at the door of the buyer so that railway freight also enters into the wholesale cash price of goods. **This is a point which has been repeatedly discussed by the Southern India Chamber of Commerce with the Members of the Central Board of Revenue during their visits to the Chamber. But Government are still far from giving satisfactory reply** to the points. His Excellency replied to the Bombay Chamber as follows:—"I am fully conscious of the considerations which you have mentioned and of the need for a basis of assessment equitable to all.

"This subject is, indeed one which is constantly engaging the attention of the Revenue authorities concerned and as recently as 1936 the Central Board of Revenue, in modification of previous practice, issued an instruction, the object of which is, consistently with the statutory definition, to relate the "wholesale price" on which the assessment is based, as nearly as possible to the landed cost.

The subject is, however, one of great complexity for which it is difficult to devise an improved statutory formula, but which requires careful and vigilant administration."



**Indo-Commercial Bank Ltd.**

We have published elsewhere the balance sheet as on December 31, 1938 of the Indo-Commercial Bank Ltd. The huge banking failure which overtook one of the leading banks in the Presidency in the middle of the year has its own repercussions and credit institutions, good and bad, became the target of unmerited attack. The readiness, with which the authorities of the bank submitted themselves to the scrutiny and investigation by the Reserve Bank Authorities and the unqualifying testimony given by no less a person than the Deputy Governor of the Reserve Bank allayed the feelings of the panic-stricken public, commended itself highly to the public and the Bank soon gained the confidence of the investing public. The high proportion of cash balances to the assets can be interpreted as the result of twin influences neither of them favourable to the shareholders. That the setback is recognised as arising from temporary and local factors may be inferred from the very inconsiderable change in the dividend distributions for the year although the second half of the year witnessed a decline both in the turnover and profits. The Managing Director's noble act of self-sacrifice in not taking any honorarium shows the extent to which the authorities of the Bank went in the interests of the shareholders. We feel sure that the stamina and self-reliance which the bank displayed in the crisis is bound to restore it soon to the confidence of the public and to the front rank of banks in India. What is more gratifying is its liberal policy towards financing the internal trade of the country, a problem which has been left high and dry by the recent banking crisis and which requires to be effectively handled if the trade and industries should be set on their feet again effectively.

## ECONOMIC POSITION OF MYSORE

| Commodities. | PRODUCTION. | | IMPORT. | | EXPORT. | |
|---|---|---|---|---|---|---|
| | OCT. 1938 | NOV. 1938 | OCT. 1938 | NOV. 1938 | OCT. 1 38 | NOV. 1938 |
| | | | (Rly. Mds.) | (Rly. Mds.) | (Rly. Mds.) | (Rly. Mds.) |
| Yarn ... | 1,665,000 (lbs) | 1,805,000 (lbs) | 5,469 | 5,402 | 5,641 | 4,320 |
| Raw Cotton ... | ... | ... | 5,764 | 5,100 | ... | ... |
| Sugar ... | ... | 3 896 (tons) | 10,968 | 8,838 | 1 749 | 1,378 |
| Matches .. | 3,100 (gross) | 3,000 (gross) | ... | ... | ... | .. |
| Hides and Skins .. | 84,000 (lbs) | 64,000 (lbs) | 8,453 | 13,871 | 4,425 (Raw Skins only) | 4,098 Raw Skins only) |
| Pig Iron ... | 2,225 (tons) | 2,595 (tons) | ... | ... | ... | ... |

# INDUSTRIAL PRODUCTION OF INDIA
## 1938

| COMMODITIES. | | January. | February. | March. | April. | May. | June. | July. | August. | Sept. | Oct. | Nov. | 1937. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *Jute* :— | | | | | | | | | | | | | |
| I. Twist and Yarn | (tons) | 4,710 | 4,434 | 4,959 | 5,351 | 3,981 | 3,247 | 4,354 | 5,241 | 5,280 | ... | ... | 52,040 |
| II. Manufactures | (yds.) | 166,841,636 | 145,749,384 | 170,358,946 | 322,724,299 | 318,853,188 | 314,956,745 | 317,222,388 | 352,512,918 | 325,829,611 | .. | ... | 1,921,745,447 |
| *Paper* | (cwts) | 89,776 | 85,344 | 96,390 | 96,014 | 99,644 | 102,532 | 103,626 | 103,228 | 103,066 | ... | ... | 999,681 |
| *Iron & Steel Manufactures* :— | | | | | | | | | | | | | |
| I. Pig Iron | (tons) | 135,845 | 128,608 | 152,537 | 147,618 | 142,950 | 85,615 | 91,393 | 129,222 | 134,862 | .. | ... | 1,642,404 |
| II. Iron Castings and Mfgs. | (tons) | 7,951 | 7,198 | 8,133 | 7,791 | 7,906 | 5,528 | 5,903 | 8,092 | 7,682 | . | ... | 113,155 |
| III. Steel Ingots | ( „ ) | 85,430 | 74,401 | 77,128 | 77,052 | 79,588 | 72,033 | 88,912 | 74,065 | 76,392 | .. | .. | 913,140 |
| IV. Semis | ( „ ) | 68,594 | 62,043 | 66,001 | 62,804 | 63,989 | 62,462 | 69,105 | 64,568 | 61,104 | ... | ... | * 562 639 (a) (Apl. to Dec.) |
| V. Finished Steel | ( „ ) | 52,013 | 48,171 | 56,237 | 53,812 | 54,423 | 53,603 | 60 256 | 61,541 | 64,940 | ... | ... | 666,993 |
| *Petrol* | (gallons) | 1,366 713 | 1,465,947 | 1,618,201 | 1,591,666 | 1,433,978 | 1,577,785 | 1,375,739 | 1,604,069 | 1,357,704 | ... | ... | 32,200,052 |
| *Kerosene Oil* | ( „ ) | 3,180,614 | 2,869,437 | 3,517,806 | 3,305,626 | 3,193,033 | 3,378 245 | 2,698,049 | 2,681,589 | 3,136,193 | ... | ... | 70,745,412 |
| *Cement* | (tons) | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | † 1,021,514 (b) (11 months April to November |
| *Paints* | (cwts) | 40,351 | 40,068 | 41,653 | 47,631 | 44,030 | 42,801 | 39,890 | 44,405 | 46,657 | ... | .. | 443,015 |
| *Sugar* :— | | | | | | | | | | | | | |
| Khandsari Sugar | (cwts) | 5 329 | 7,314 | ... | ... | ... | ... | ... | 677 | 197 | ... | ... | 51,499 |
| Palmyra Sugar | ( „ ) | 8,453 | 3,836 | ... | ... | ... | ... | ... | 19,879 | 26,084 | .. | ... | 139,243 |
| All other Sugar | ( „ ) | 4,511,051 | 4,420,374 | ... | ... | ... | ... | ... | 42,420 | 106,930 | ... | ... | 22,129,107 |
| *Matches* :— | | | | | | | | | | | | | |
| Coloured Matches | (gross) | 2,062 | 1,427 | ... | ... | ... | ... | ... | ... | ... | ... | ... | 142,942 |
| All other Matches | ( „ ) | 1,855,021 | 1,630,807 | ... | ... | ... | ... | | ... | ... | ... | ... | 22,377,361 |
| *Heavy Chemicals* :— | | | | | | | | | | | | | |
| Hydrochloric Acid | (cwts) | 604 | 451 | 507 | 535 | 486 | 581 | 545 | 515 | 583 | ... | ... | 13,580 (c) (Apl. to Dec.) |
| Nitric Acid | ( „ ) | 814 | 666 | 836 | 859 | 612 | 916 | 913 | 829 | 1,069 | ... | ... | 9,325 (c) (Apl. to Dec.) |
| Sulphuric Acid | ( „ ) | 44,011 | 27,953 | 47,904 | 34,193 | 42,793 | 29,905 | 38,165 | 46,378 | 43,089 | ... | ... | 639 569 (c) |
| Alum | ( „ ) | 6,377 | 5,653 | 5,324 | 3,606 | 2,293 | 2,029 | 3,336 | 2,838 | 3,828 | ... | ... | 32,823 (c) (Apl. to Dec.) |
| Aluminium Sulphate | ( „ ) | 8,286 | 4,925 | 6,654 | 3,122 | 6,772 | 5,737 | 7,977 | 8,665 | 10,743 | ... | ... | 88,395 (c) (Apl. to Dec.) |
| Ammonium Sulphate | (tons) | 1,566 | 1,488 | 1,500 | 1,156 | 1,525 | 985 | 928 | 980 | 1,110 | ... | .. | 18,304 |
| Ferrous Sulphate | (cwts) | 1,054 | 3,323 | 798 | 414 | 878 | 832 | 1,134 | 1,143 | 1,193 | ... | ... | 6,930 (c) (Apl. to Dec.) |
| Magnesium Sulphate | ( „ ) | 4,768 | 4,961 | 6 562 | 7,840 | 6,828 | 4,316 | 4,705 | 3,502 | 7,055 | ... | ... | 44,906 (c) (Apl. to Dec.) |
| Sodium Sulphate | ( „ ) | 1,654 | 974 | 1,798 | 654 | 892 | 979 | 1,481 | 1,308 | 1,715 | ... | ... | 15,999 (c) (Apl. to Dec.) |
| *Cotton Yarn* :— | | | | | | | | | | | | | |
| India including States | (lbs) | 106,960,363 | 94,679 432 | 100,886,667 | 105,139,813 | 105,344,402 | 100,659,011 | 110,886,296 | 115,423,235 | . | ... | ... | 1,120,830,534 |
| Madras | ( „ ) | 10,675,206 | 8,113,182 | 9,021,807 | 9,806,781 | 14,479,657 | 14,501,852 | 14,483,112 | 15,303,677 | ... | ... | ... | 141,478,081 |
| *Cotton Goods* :— | | | | | | | | | | | | | |
| India including States | (yds.) | 356,471,809 | 336,206,252 | 361,370,781 | 373,434,657 | 364,911,484 | 340,768,239 | 352,347,355 | 370,113,630 | ... | ... | ... | 3,950,156,721 |
| Madras | ( „ ) | 6,922,817 | 6,316 373 | 6,722,352 | 6,047,906 | 6,829,487 | 6,901,926 | 6,727,442 | 7,300,826 | .. | ... | ... | 85,186,129 |

# Southern India Chamber of Commerce

## Executive

PRESIDENT

Diwan Bahadur M. Balasundaram Naidu, C.I.E.

VICE-PRESIDENTS

Diwan Bahadur C. S. Rathnasabapathy Mudaliar.

M. Muhammad Ismail Saib, Esq.

HON. SECRETARIES

Khan Bahadur Adam Hajee Mohomed Sait.

K. J. Cleetus, Esq.

COMMITTEE

K. Balakrishna Mudaliar, Esq.

K. M. Eapen, Esq.

K. Easwara Iyer, Esq.

K. Govindan, Esq

J. M. Jamal, Esq.

M. J. Jamal Moideen, Esq.

Rao Sahib T. S. Kachapikesa Mudaliar.

M. Kuppuswamy Pillai, Esq.

Laldoss Govindoss, Esq.

Mahomed Musa Sait, Esq.

Manian Natesan, Esq.

T. S. Manikkam, Esq.

V. S. L. Nathan, Esq.

A. R. Ramanathan, Esq.

C. L. Ramaswamy, Esq.

T. Ranganatha Mehta, Esq.

C. M. Sharma, Esq.

T. Thiruvenkatachari, Esq.

Yusuff Sait Esq.

AFFILIATED MEMBERS' REPRESENTATIVES

*Siram Balaramamurthy, Esq.*

*Y. Ramachandra Rao, Esq.*

*G. Sriram Babu, Esq.*

# CONTENTS

—:o:—



# Index to Advertisers

—:o:—




6

TELEPHONE: 2529
TELEGRAMS: INDCHAM BER.

SOUTHERN INDIA COMMERCE

ANNUAL SUBSCRIPTION RUPEES FIVE. SINGLE COPY AS. 8 FOREIGN 10 SH.

Vol. II No. 2

PUBLISHED BY THE SOUTHERN INDIA CHAMBER OF COMMERCE, NORTH BEACH, MADRAS.

FEBRUARY 1939




# The Budget Season–What The Budgets Disclose

The budget season is on. Everyone of the eleven Provincial Governments has introduced its budget for the year 1939-40 in the respective Legislative Assemblies. The Central Government have to submit two budgets, one for the Indian State Railways and the other covering the general Central administration of the country. These budgets offer exceedingly interesting points of comparison and contrast. They disclose not only the financial position of the various Provinces, but more of the financial ingenuity and wisdom their Finance Minister have brought to bear upon the thorny problems that confront them.

### THE RAILWAY BOARD BUDGET

| | Receipts. | Expenditure. | Net Receipts. | Surplus. |
|---|---|---|---|---|
| | Crores. | Crores. | Crores. | Crores. |
| 1937-38. Actual. ... | 95 | 63 | 32 | 2.76 |
| 1938-39. Revised. ... | 95 | 64 | 31.1 | 2.05 |
| 1939-40. Estimate. ... | 95 | 64 | 30.5 | 2.13 |

The gross receipts during the year 1937-38, the report for which is now available, was $3\frac{1}{4}$ crores more than those of the previous year. It is a reliable indication of the fact that the Indian State Railways have turned the corner after some distressing years. The revised estimates for 1938-39 and the budget estimates for 1939-40 are almost the same as the actual receipts of 1937-38. It means that according to the anticipations of the Railway Board the entire period of three years, i.e., 1937-40, will be characterised by steady and profitable traffic. The year 1937-38 yielded higher actual receipts than those budgeted for to the extent of $3\frac{1}{4}$ crores. The Railway Board have apparently taken that year as an indication of the recovery that is discernible all over the country.

On the expenditure side the working expenses, including the depreciation, have also been maintained at the steady level of 63/64 crores. That, in spite of some rise in prices, the expenditure of the Indian State Railways could be maintained at a steady level is commendable. The nett receipts likewise are expected to remain steady.

On account of the improved position disclosed by these figures, Indian State Railways were able to contribute as much as 276 lakhs to the Central revenue in 1937-38. But in the current year a surplus of only 205 lakhs is anticipated.

Turning to the budget estimates for 1939-40 again, Sir Thomas Stewart, said that he could not look forward with confidence to an era of prosperity. In fact, he thought that under the present world conditions such confidence would be unjustified. He was inclined to be less imaginative and more conservative in his view of the future.

Under these circumstances, it is only to be expected that capital programme for the construction of new railway lines will be a very modest one. The Indian Railways will be ill-advised to launch out into any costly construction schemes in the present times, especially in view of the severe competition from road transport agencies. The provision for rolling stock is perhaps the absolute minimum that is necessary comparable with traffic requirements. In fact, considering the condition of the existing rolling stock a provision of 5 crores only is perhaps on the low side. The expenditure on Open-line works calls for some comment. It seems that the Railways have been unable to spend the gross estimated amount. This fact requires some explanation, which unfortunately has not been vouchsafed to us by the Railway Member.

The Railway Member stated with a certain amount of self-satisfaction that considerable progress has been made in giving effect to the recommendations of the Wedgewood Committee and that the Railway Board have been endeavouring unceasingly to increase efficiency and ensure economy. The commercial side of the various

Railway administration is proposed to be strengthened and some posts have been created in order to expand the Railway's activities in regard to publicity, commercial research and direct commercial working. While we congratulate the Railway Member on the results achieved, we would like to add that in spite of these efforts, the Railway administrations, especially the commercial Departments, still remain more or less out of touch with Railway-using public, especially the commercial classes and organisations. The Commercial Departments have still to be imbued with the correct commercial spirit. They still fight shy of coming into contact with commercial men. Let us hope that in due course the commercial spirit that is sought to be instilled into the Railway administration from the top will percolate through every department of Railway administration.

Sir Thomas Stewart has made some interesting observations on the question of road competition and railway rates. The rate structure of Indian Railways was moulded at a time when they were monopolist carriers. They have ceased to be so and, therefore, a re-orientation of this problem is urgently necessary. Competition from road motor transport is felt, it would seem, not over the entire volume of railway traffic, but only over certain parts of it. Road competition has concentrated on the most paying part of the traffic or "the cream," as Sir Thomas Stewart described it, thus disturbing completely the harmony and balance of the railway rates system. According to the Railway Member, it is not necessary that the railway rates in India should be universally reduced in order to meet competition, which appears only in certain commodities and in certain areas. We must agree that general reduction in railway rates as such may not meet the particular problem in view. That has to be countered rather by close study of the conditions existing in the traffic in particular commodities or in particular areas, where competition is keenly felt.

But we cannot admit that railway rates in India are low. No doubt, Indian Railway rates may appear low, when they are compared with rates existing in other foreign countries. But this method of comparison is highly deceptive. In as far as wages, salaries and general economic conditions are on a much lower level in India than in other countries, the mere fact that the railway rates in India are lower than elsewhere is not conclusive evidence of the cheapness of railway transport in India. We should consider, on the contrary, the peculiar nature of the country's traffic requirements. Materials of a comparatively cheap and bulky nature have to be transported over immense distances in order to be consumed or utilised economically. Our railway rates structure should follow not that of small and highly developed countries like England or Germany or Belgium, but should be modelled more upon countries like the United States of America, the Argentine or Brazil.

The Indian State Railways have begun to make a departure in their general policy by actively participating in road operations and in running motor traffic services. In this connection, we must draw the attention of the country to a danger that lurks behind these efforts. We are not aware of the details of the scheme in which the North Western Railway is interested to the extent of 60 per cent of capital in a private limited company for running road passenger service. The Madras & Southern Mahratta Railway proposes to embark on a similar investment by acquiring a 55 per cent interest in a private limited company, which will take over a considerable number of existing motor services. We reserve detailed comments until full information is available, but we must state that the Railways must not utilise the power given to them by the Legislature to enter into alliance with non-Indian interests in their endeavour to secure a larger share of road traffic. The existing road traffic is more or less financed by Indian capital and run by Indians. The amount of Indian capital and control in the proposed limited liability company has not been disclosed. But if we may rely on information that has reached us, it would appear, that the Madras and Southern Mahratta Railway has already entered into an agreement with non-Indian transport concern for the purpose of running the transport service. We must protest strongly against this venture. We would like to enquire why a larger measure of Indian control and capital could not have been associated with this new undertaking. It is certainly not in the interest of the country to supplant existing road transport services run entirely by Indians, by concerns that are predominently under non-Indian in capital and control. We must draw the serious attention of the Central and Provincial Legislatures to this grave menace.

### BENGAL'S BUDGET

Bengal's Finance Minister, the Hon'ble Mr. Nalini Ranjan Sarker, had based his estimates for 1938-39 upon the revised estimates for 1937-38 and upon the hope that world conditions would not deteriorate. This expectation unfortunately was not realised and the Finance Minister is compelled to effect considerable revision in his estimate for 1938-39. There will be a drop of about 41 lakhs in revenue due partly to world causes and partly to conditions obtaining in the country. The Finance Minister was apparently unable to effect corresponding saving in expenditure, except the reduction in the abnormal expenditure effected in consequence of the release of detenus.

Coming to the budget for the year 1939-40, the Hon'ble Mr. Sarker was faced with the same situation that obtains in nearly all Indian provinces. That is, a more or less fixed revenue structure with ever expanding avenues of expenditure.



The budget proposals for the year 1939-40 disclose a very serious situation. As against a total revenue of 1,378 lakhs, the expenditure is 1,465 lakhs or a deficit of 87 lakhs. The deficit would have wiped out the reserves completely and, therefore, the Finance Minister has wisely decided to meet the deficit by raising a loan of one crore of rupees and leave the reserve intact. The nett result will be to leave a small surplus of 7 lakhs (the merest safety margin), which would raise the opening balance of 78 lakhs to a closing balance of 85 lakhs.

Bengal's budget contains two noteworthy taxation proposals, namely, a tax on betting on dog-racing and an ungraduated tax of Rs. 30/- per annum on professions, trades, callings and other employments (exempting those who do not pay income-tax). It was with some difficulty that Bengal's budget was balanced last year. That in the second year of Provincial Autonomy, her Finance Minister was compelled to introduce fresh taxation, besides raising a loan of a crore of rupees, to meet ordinary expenditure is a significant commentary on the position of the public finances of that Province. The expedient of meeting current expenditure from loans is, of course, contrary to all sound canons of public expenditure in normal times, and we expect to hear more about this on the floor of the House. The Finance Minister, we are sure, will also be able to plead ably and advance strong reasons for his otherwise unorthodox proposals. Unlike the Congress Provinces, we should remember, that Bengal has not yet adopted Prohibition as a policy and has not, therefore, had to forego any revenue. Expenditure on social services and on nation-building departments has naturally been cut to the bone. The Finance Minister frankly admitted that their "present resources were approaching the end of the tether, and if they are to make any further progress in nation building work, they must be prepared to explore new avenues of revenue." It makes the choice for the future clear. If large sums are to be expended upon social services and on nation building work, Bengal must be prepared to impose additional taxes upon herself. The prospects are not cheerful.

### SIND BUDGET

Sind Budget provides good reading. While nearly every other province in India is experiencing serious financial worries, it is pleasing to note that this young province has been able to balance its budget without much strain and leave a little surplus; but it should be remembered that this is being possible very largely with the assistance of Central Government's subvention of 105 lakhs.

The year 1937-38 closed with a surplus of 36.6 lakhs. The revised estimates for 1938-39 will leave a surplus of 15 lakhs. For the year 1939-40 Khan Bahadur Allah Bux has budgetted for a total revenue receipt (including the subvention of 105 lakhs) of 383 lakhs. The expenditure debitable to revenue is estimated to be 376 lakhs, leaving a small surplus of nearly 7 lakhs. The budget also discloses some very interesting items of expenditure. Besides the usual expenditure for the extension of compulsory primary education and education among Harijan children, the budget has also provided for an inquiry into the family budgets of working classes in Karachi and for small subsidy for the use of an improved type of bullock carts.

The financial problem of Sind centres around her costly Barrage Scheme. The debt position of Sind is indeed a very serious one for that new and comparatively small province. The Barrage debt alone is about 25 crores and there is another 4 crores of other debts. In the budget for 1939-40 the debt charges alone amount to about 140 lakhs of which as much as 116 lakhs are to cover interest charges for the Barrage debt. The debt position of Sind will continue for a long time to present her most serious financial problem. Upon its eventual solution will depend to a large extent the future prosperity of this new province.

Unfortunately the Barrage revenues do not seem to be able to cope with the redemption of the debt. In 1942-43 the Sind Government must begin to re-pay the Barrage debt including the interest totalling nearly 195 lakhs a year. The Premier of Sind was certainly not exaggerating when he said that the position would then be "desperate."

In the other provinces the present worries their Finance Ministers most. The future is not bleak and unrelieved. In the case of Sind the present is not so bad; but the future is indeed very dark.

### BOMBAY BUDGET

The Finance Minister of Bombay has placed certain proposals of fresh taxation before his Assembly. Some of them like enhanced fee on conveyancing, enhanced electricity duty, taxation on activities like cross-words competition, etc., do not call for any special comment. The enhancement in the electricity duty may adversely affect industries and retard the development of electricity and its use.

The three chief taxation proposals that provoke criticism are (1) sales tax on petrol (2) an immoveable property tax of 10 per cent on the rateable value of property in Bombay and suburbs and Ahmedabad and (3) the sales tax on mill-made cotton and silk goods and artificial silk yarn and cloth at 6¼ per cent. The proposed property tax is indeed very high, and in so far as it is going to affect properties in the two big industrial centres of the western presidency, we are afraid that it will check the expansion and development of these cities, which are so necessary for the general health and prosperity of their inhabitants. It will have serious reactions upon the general housing problems in these cities and upon the building industry in general. The building industry draws its materials from a multitude of sources, every one of which is likely to be affected by the proposed measure of taxation.

Another objection to this tax is that it trenches upon a source of revenue which, by financial tradition and convention in India, has been considered to be a source of revenue for local bodies only. When this 10 per cent. is added to the existing local property tax, which in Bombay City amounts to 18¾ per cent there will be very little room left for any further increase in this direction which the municipalities of Bombay and Ahmedabad could exploit to serve their feature needs.

The sales tax on piece-goods will hit the cotton mill industry very hard. In his last budget speech, the Bombay Finance Minister admitted that the burdens imposed upon the industry by the labour policy of the government will make it difficult to impose additional taxation on the product of cotton mills. The Government of Bombay have, apparently, gone back on their own opinion. With the triple burden of higher wages recommended by the Textile Labour Enquiry Committee, the new property tax of 10 per cent. and the 6¼ per cent. tax on sales of piece-goods, the Government of Bombay appear to be dealing, unwittingly we are sure, a severe blow at the staple industry of that Presidency and indirectly facilitating competition from foreign goods. Apart from the practical difficulties that will be encountered in enforcing the new tax, we are also afraid that some of it, if not all, will ultimately be shifted down to the shoulders of the poorer purchasers of Indian cotton mill cloth. The Madras Province hemmed in between local universal cloth license fee, a Bombay sales tax and on top of it a Madras surchange on sales now contemplated is up against a heavy burdensome tax on consumers of cloth. We who depend largely on Bombay Mill produce so have to pay the penalty.

It is not happy to contemplate that the advent of national provincial governments has inaugurated a period of continual and excessive taxation. If we may take a hint from the Bombay Finance Ministers significant words., we must expect further taxes to be piled upon the Province next year also, when you will have to find 140 lakhs by new taxation to fill up the gap created by the policy of prohibition.





# The Central Budget

The Central Budget for the current year 1938-39 was estimated last year to produce a surplus of 9 lakhs of rupees but has resulted in a net deficit of 265 lakhs mainly due to a deterioration in Customs revenue by about 367 lakhs counter-balanced to some extent by increase in other items. It is to be noted that the Defence Services cost 100 lakhs more than were estimated at this time last year mainly owing to the Waziristan operations and Ordnance Services. The deficit of 265 lakhs merely offsets the allotment of 3 crores of rupees made last year for Sinking Fund.

The Hon'ble the Finance Member is however optimistic about the financial position of the coming year. He has estimated a revenue of 82.15 crores as against 83 crores revised estimate for the current year and an expenditure of 82.65 crores as against 85.65 crores of the current year. The revenue will be made up of 40.1 crores by customs revenue as against 40.14 in the current year. Although all provincial budgets had come out by the time the Hon'ble the Finance Member brought out his budget he has declined to take notice of the drastic prohibition programme that the provincial Ministers have launched and are expected to result in drastic inroads into the customs revenue. Although at the very start of his career in India Sir James Grigg sounded a note of warning about the haphazard growth in the customs revenue and held out hopes of a radical revision of the tariff on a more scientific basis with a view to adjust burden between different classes of the population nothing has so far been done during his time. Probably at the end of the year the new Finance Member will be obliged to make some accounting adjustments as Sir James Grigg did by appropriating 102 lakhs last year from the Renewals Reserve Fund of the Posts and Telegraphs Department for the general budget. The important changes brought about are the adoption of the new Income-tax Law with a substitution of a slab system and adoption of more progressive rates of income tax which will operate rather harshly upon the higher classes. Super tax limit has been reduced from 30,000 to 25,000 and the companies super tax which has been the object of perpetual controversy between Government and the Mercantile Community has now been made even more aggressive by the abolition of Rs. 30,000 limit which used to be exempt. The operation of the new Income-tax Law will also adversely affect the joint Hindu families as they will not have the advantage of individual assessment and refunds as in the case of registered firms. Although the principle of set off of losses will be introduced the range of its operation will be limited to one previous year to start with. On a fair estimate of the new Income-tax rates we might say that the Finance Member has grossly under-estimated the revenue. Among the changes in duty may be mentioned the reduction of excise duty on Khandsari sugar from one rupee to 8 as. per cwt., which is a gesture of sympathy for a cottage industry although the contemplated effect in the definition of a factory will bring in a very large number of small establishments which used to be exempt hitherto. The import duty on raw cotton is increased from ½ a. to 1 a. per lb. so that the import of long staple cotton from Uganda and Egypt will receive a set-back with some serious repercussions in the cotton mill industry which has been slowly taking kindly to the use of long staple cotton for the production of finer counts. It should be noted that the cotton industry of the country has been already treated to big doses of taxation and other burdens in the shape of increased wages and amenities to labourers, increased railway freight and licence and sales taxes imposed in the different provinces according to the exigencies of their budgets. The Finance Member has failed to meet the standing objection that the loss of Rs. 2 crores of strategic railways is not debited to the military budget as it ought to be, nor is it fair that the extraordinary concessions made in the Telegraphs Department for accommodating the Defence Services should still be debited to the Civil budget.

# The U.P. Budget

The revenue for the year 1939-40 is estimated at 1,331 lakhs as against an expenditure of 1,369 lakhs leaving a deficit of nearly 38 lakhs. It was originally anticipated that there would be a deficit of 45 lakhs, but the tax on petrol of 2 annas per gallon will, it is expected, reduce the deficit by 8 lakhs. Another measure of taxation a tax on employment is expected to bring in a revenue of about 30 lakhs. That will leave an uncovered deficit of 7 lakhs for the year 1939-40.

The expenditure of the Government of the United Provinces has gone up by as much as 135 lakhs as compared with the pre-Congress year of 1937-38. But the U. P. Premier exclaims with pardonable pride that nearly the whole of the amount "has been directed towards the relief for the poorer classes and for promoting remunerative and progressive objects designed to raise the social and material level of the general mass of the people". The U.P. Government have set out earnestly to tackle the problem of rural reconstruction. "We have determined" says Pandit Govind Ballabh Pant "to change the state of affairs in the country side and make life richer, fuller and cleaner for the villagers. There is staggering poverty, ignorance and disease, especially in the rural areas and the accounted arrears of a decade of negligence in this direction call for immediate and effective redress. We want to attack the problems on all fronts."

It is a bold budget, a budget full of colour and lite. There is provision for consolidation of small holdings, development of rural communications and the improvement of rural water-supply. Provision for adult education, extension of mass literacy, reclamation of criminal tribes, relief in the matter of pay and pension to the inferior servants of the Government are some of the more interesting features of the budget. But the most striking proposals are (1) a five-year programme of road development costing a crore of rupees and a capital programme of 124 lakhs including 25 lakhs of rupees as additional advance to agricultural depots for the purchase of seed. The extension of communications in rural areas and the development of road are the most effective methods of improving the rural areas, for developing their resources and for improving the outlook and intelligence of the villagers. Pandit Govind Ballabh Pant has realised that there is no use extending education and spending money on schools unless there is also a corresponding increase in the means of communications between rural and urban areas. The effects of development of communications will be felt universally in all spheres of rural life, economic and social. The other provinces have only proposed to tax commodities like petrol; but they have not undertaken to use at least a part of the revenue in extending communications.

The U.P. budget is also remarkable for its loan programme of 2 crores of rupees.

Prohibition will be extended to four more districts.

Coming to new taxation, besides the tax on petrol, the U. P. Premier proposes to impose only one additional tax, namely, what he calls, Employment Tax, on persons getting a salary of Rs. 2,500 or more per annum. His justification for imposing this new form of taxation is that persons in receipt of fixed salaries had evidently benefited by the fall in prices. While regretting the imposition of the tax, the Premier said, that it had the merit of affecting only a limited number of persons, who were in a position to afford it without inconvenience.

Premier Pant has presented a simple and straightforward Budget. He knows what he wants, and proposes taxes to yield a definite revenue, and not an indeterminate amount as in Madras.





# Madras Budget

The Madras Budget for the year 1939-40 compels attention. In spite of the Premier's suave efforts to dis-arm criticism and to give a thick coating of sugar on the otherwise distasteful proposals the new budget must make the tax payer squeal.

Before we examine the budget proposals for 1939-40, it is necessary to review the final figures for 1937-38 and the revised estimates for 1938-39. The final accounts for the year 1937-38 closed with a revenue surplus of 17.66 lakhs as against 2.7 lakhs anticipated. The estimates for 1938-39 were seriously disturbed by unprecedented calamities like floods, cyclone and failure of the monsoon, which necessitated the granting of land revenue remissions to the extent of half a crore of rupees. In addition to these factors there were fairly heavy short falls under Excise, Stamps and Registration. The Government were faced with a heavy deficit for the year 1938-39. It was too late to cut down expenditure or to impose fresh taxation. The Premier and Finance Minister of Madras, therefore, decided to raid the Minor Ports Fund. Nearly 42½ lakhs of rupees out of 65 lakhs standing to the credit of that account were appropriated as revenue. The description of the Premier of this transaction as a "transfer" is inapt and only helps to hide the real nature of the transaction. With the help of the huge amount drawn from the Minor Ports Fund, the revenue account for 1938-39 is expected to close with a surplus of nearly 2½ lakhs. If the Govt. had not dipped their hands deep into the Minor Ports Fund the year 1938-39 would close with a heavy deficit.

We now come to the budget estimates for 1939-40. An important departure has been made in the approach to the budget problem. In previous years the practice was to estimate the revenue and expenditure based upon existing sources and standing sanctions on existing orders of commitments and utilise whatever surplus is left for undertaking new commitments. In future the Government propose to follow the plan of determining the expenditure first and then devise the means of raising revenue sufficient to meet it. Although the apparent reason for the change is the adoption "of a policy of easing the burden of taxation on the power schemes of the community and transferring it to shoulders better able to bear it," the real reason is that the Government are committed to a policy whereby there will be a continual and progressive decrease in the revenue. The existing commitments of our Provincial Government cannot be met out of the present revenues, after making the heavy sacrifice necessitated by the policy of Prohibition.

The revenue for the year 1939-40 is estimated at nearly 16.23 crores, after making due allowances for the extension of Prohibition to one more district from the 1st of October, 1939. The total amount of annual revenue that will be foregone by the 1st of October of this year on account of Prohibition will be 65 lakhs.

At this stage the budget will leave a deficit of 42.39 lakhs. By enhancing the duty on country spirits in non-prohibition districts and by levying an Electricity duty and by a tax on sales of motor spirits (which together is expected to yield a revenue of 15.12 lakhs), the deficit will be reduced to 17.27 lakhs. The Premier proposes to cover this by levying three new taxes, (1) a vend-tax on tobacco, (2) a general sales tax and (3) an entertainment tax. The necessary bills for this purpose will be introduced in the Legislature after the voting on the budget is over.

We will now examine the new taxation proposals of the Government. The tax on electricity as at first contemplated was to be a levy upon the electric licensees. The licensees pleaded that their shoulders were not strong enough to bear the new tax. There is a danger that it will be shifted to the consumer, a contingency which was not originally contemplated by the Government. It was definitely not their intention to tax the consumers of electrical energy; but now it seems the Government are prepared to do so. Commercial opinion has expressed itself definitely against such a levy, especially in an economically undeveloped Province like Madras, where the use of electricity is yet in the stage of infancy. Besides, electrical energy is still a very costly source of power in this Presidency when compared with other Presidencies. The commercial public have protested strongly against this new tax and has also drawn the attention of the Government to the disastrous effect it might have upon the industrial development of the province.

The tax on petrol has been levied evidently under the belief that it is a commodity that is purchased by the richer class. Petrol is perhaps the most heavily taxed commodity in India. It is a matter of extreme surprise even to the most casual student of economic affairs that such a source of industrial power like petrol should be taxed so heavily in a comparatively undeveloped and poor country like India. Petrol is no longer an article of luxury; it has become very necessary for the transport system of the country. Motor transport by buses and lorries has helped to open up vast tracts of the interior of the country. The Government apparently do not realise the silent economic revolution that is being affected all over the country by the extension of road motor transport. The new taxes will all but stifle that extensive and cheap system of road transport built up almost entirely by Indian capital and Indian enterprise. It will turn the scales heavily against them in competition with Railways. The Railways have also been taking an aggressive attitude in regard to competition from road. All factors seem to be combining to choke out of existence this improved arm of national transport. One hears a lot in these days of rural development. Unfortunately very few people who talk at length about it really understand that it is the extension of road transport that can help to open up the inaccessible interiors of our districts and help to develop rural India. Coastal sea transport and railway transport are all controlled and administered by non-Indians, but road transport in India is entirely owned and controlled by Indians. After the various Provincial Governments have finished their search for fresh sources of revenue, one wonders what will be left of this enterprising arm of Indian transport system.

We have no special comments to make upon the proposed tax on tobacco as the details of the scheme are yet being worked out in the mind of the Hon'ble Finance Minister.

The General Sales Tax is admittedly the most important tax measure and one that is most dangerous in its possibilities for mulcting the tax payer in the future. The Premier stated with an air of satisfaction and pride that it is a new tax for India. When we cast our minds into the future and contemplate the whole host of Finance Ministers, good, bad and indifferent, wealthy or indigent, wise or improvident, careful or reckless, into whose hands Mr. Rajagopalachariar is placing a dangerous instrument of taxation, a creepy feeling of uneasiness should overtake the tax payer. We will not grudge our Premier the joy of discovery; but we are not sure that future generations will bless him for it.

We must also correct what appears to us to be some wrong impressions in the mind of the Premier with regard to the incidence of the existing and the proposed taxes. As we have stated, the Premier believes that the tax on petrol and on electricity will fall on those who are comparatively well off. Evidently, when he thinks of petrol, the Premier has in mind only the wealthy few that run about the city in high-powered automobiles. He forgets that petrol is also used more largely by buses, lorries, small engines, etc., which cater to the needs of the small man. If the cost of running a bus goes up, the owner must either increase fares or cut down the salaries of his none too well-paid staff. In either case it is people of extremely moderate means that will suffer. The lorries in this Presidency are owned by comparatively small people. Lorries are not run in fleets by big corporations or wealthy individual owners as in other countries. Most of them are driven by their own owners. It is this small man that will be most seriously hit by the petrol tax. As regards electricity, the Government appear to be agreeable to allow the licensees to pass it on the consumer if the licensees are unable to bear it. Here again, it is not merely the well-to-do that will pay this new tax, but also the very small man who probably has just one light in the house.

There is yet another wrong impression that we would like to correct. The Premier stated that "at present all the big businesses almost completely escape taxation so far as the Province goes." The big business-man may not be paying much directly to the Provincial Government. That is not his fault. The tax structure of the Provinces is not based upon direct taxes; but indirectly he pays quite a lot even to the Provincial Government. In so far as the provinces get a share of the income-tax the big business-man contributes to the Provinces also. In as far as the Provinces get relief from surplus earned by the Indian State Railways and in so far as this surplus is contributed largely by the traffic given by the big business-man, he is also contributing indirectly but very materially to the Provinces.

# Commerce

## Madras Commerce Report for the Month of December 1938.

*Issued by the Director of Industries:*

Business in the United States of America during December 1938 lost little ground, since the gains of autumn, the recessions being only seasonal in character. Present indications are a continuance this year of the gradual improvement in trade. Increased public purchasing power is reported to be giving the industrial uptrend renewed impetus which is reflected in the rising demand for both capital and consumer goods. Exports from the Madras Province by sea to foreign countries amounted to Rs. 236.79 lakhs in value as against Rs. 252.74 lakhs in December 1937 while imports from foreign countries amounted to Rs. 153.29 lakhs as against 182.00 lakhs. Cotton markets did not show any marked variation in December and local rates for Tinnevelly and Cambodia cotton remained steady. In regard to the cotton textile industry, the Christmas season brought the usual influx of mofussil merchants but the failure of the monsoon has resulted in lack of confidence and unwillingness to increase stocks. Sales were therefore disappointing and the piece-goods market was generally in a state of depression. There was a good demand for tanned hides throughout December and prices strengthened during the latter part of the month. Business in tanned goat skins was better and an all-round improvement in prices was noticeable. Though at the beginning of the month the Madras maket for tanned sheep was fair, the London auctions were instrumental in restricting transactions. Owing to increased demand for groundnuts, quotations, showed an upward tendency. Indian demand for pepper was moderate but the market eased off slightly. With arrivals of the heavy new crop of ginger, the market fell but closed fairly steady owing to demand from Bombay. The Cochin and Calicut coir yarn markets showed a weak undertone and the demand was poor. Arrivals of copra were good and the demand for coconut oil was poor. The Madras sugar market ruled strong and prices touched a very high level but at the close of the month a reaction set in and prices dropped to some extent. The demand for chemicals during the month was fair. London tea prices after dropping rapidly from the end of September 1938 until the latter part of November recovered to some extent in the final sales of the year. The America in December 1938 was expected to reach the highest level for any month since June last year and estimates of the probable consumption for January are being favourably revised. Manufacturers are however, reported to be assured of ample supplies, in view of the increase in the exportable percentage from January 1st which is fixed on a higher basic standard quota. The outlook for both tea and rubber appears to be relatively favourable on the whole and there is reason to anticipate an increase in revenue from both crops over that of 1938, although it would be unwise to expect a restoration of profits to the level of 1937.

### GROUNDNUT.

The demand for groundnuts was brisk and quotations improved during the month. The average wholesale prices of standard varieties at the main producing centres were as follows:

| | (per candy of 531 lbs.) |
|---|---|
| 25th November 1938 ... | Rs. 19-4-0 to Rs. 21-15-0 |
| 23rd December 1938 ... | Rs. 20-6-0 to Rs. 22-2-0 |

### PADDY AND RICE:

Prices for paddy and rice had a rising tendency on account of the anticipated poor outturn of the paddy crop in the Northern Circars due to the recent cyclone. Latterly, however, prices for paddy declined slightly in the Circars, while in the South, prices of paddy and rice were firm with a tendency to rise. The average wholesale prices of standard varieties at the main producing centres were as follows:

INDIAN PADDY PER BAG OF 170 LBS.

| | |
|---|---|
| 25th November 1938 ... | Rs. 4-6-0 to Rs. 5-0-0 |
| 23rd December 1938 .. | Rs. 3-12-0 to Rs. 5-0-0 |

INDIAN RICE PER BAG OF 170 LBS.

| | |
|---|---|
| 25th November 1938 .. | Rs. 6-8-0 to Rs. 7-10-0 |
| 23rd December 1938 ... | Rs. 6-14-0 to Rs. 7-10-0 |

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

| | | |
|---|---|---|
| 30th November 1938 | Rs. 8-2-0 | Madras. |
| 31st December 1938 | Rs. 8-12-0 | |

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

| | | |
|---|---|---|
| 30th November 1938 | Rs. 7-10-0 | Madras. |
| 31st December 1938 | Rs. 8-6-0 | |

### COCONUT PRODUCTS:

Owing to good arrivals and less European and Indian demand, the market for Quilandy, soaked coir yarn and Beypore yarns dropped and showed a week undertone during the latter half of the month. Owing to limited arrivals and fair European demand, the market for Calicut unsoaked yarns remained steady throughout the month. The tendency of the Cochin Coir Yarn market was easier owing to poor demand. Prices for copra and coconut oil were depressed early in the month owing to large arivals, but there was some activity in both markets later on and quotations improved.



### COTTON:

Leading markets did not show any marked movements during December and local rates also remained fairly steady.

*Tinnevelly*: There had been occasional and moderate buying by some of the Coimbatore and Udalmalpet Mills at rates ranging from Rs. 170 to 190 according to qualities. Also some lots of crops previous to 1937-38 came from the interior and were sold to those Mills at various prices. No forward business has been done as yet in the new crop, i.e., of 1938-39.

The outlook for the Tinnevelly new crop remained unsatisfactory until the end of the month when however with the advent of fair rains the situation improved considerably.

*Cambodia*: The Coimbatore Mills were the only buyers and prices ranged from Rs. 235 down to Rs. 200 according to qualities. These Mills were also eager to buy Cambodia grown in the Southern districts.

Most of the unsold stocks of both Tinnevelly and Cambodia cotton are now in the hands of either speculators or well-to-do ryots and these people are not inclined to sell further owing to the very unsatisfactory crop outlook in the Coimbatore and Salem Districts.

There had been no demand at all from outside these districts. On the other hand the South Indian Mills bought more of the new crop Karachi cotton than usual in replacement of local cottons and in view of the crop failure in Coimbatore.

### SUGAR:

On receipt of information that the Indian Sugar Syndicate Limited, have fixed minimum basic prices for new season's sugar at Rs. 9-8-0 per maund there was bullish activity in the local market and prices increased to a very large extent and up to the level of replacement cost of New Season's sugar. Dealers purchased large quantities from local factories to cover their December requirements. During the third week of December prices again rose on receipt of advice from Cawnpore, Bombay and Calcutta that no North Indian Sugar was available at less than Rs. 10 per maund. The market was very strong and as local prices touched a very high level, dealers began to speculate and purchased small quantities of British Refined sugar for December and early January shipment.

There was a sudden reaction at the close and prices dropped by about seven annas per cwt., owing to the downward tendency of the Cawnpore market which was largely due to the release of a second quota of about 13 lakhs of bags by the Syndicate and a rumour that the Syndicate will take over all selling from 15th January 1939. The Sugar merchants at Bombay, Cawnpore and Calcutta protested against the proposed change and observed a hartal.

The market closed weak and dull owing to uncertain conditions prevailing. Some dealers are nervous, anticipating a reduction in the Syndicate's basic prices after 15th January.

Madras prices of North Indian sugar ranged from Rs. 29-8 to Rs. 31-4 per bag of 2 cwts. in December as compared with Rs. 27 to Rs. 29-2 in November.

Arrivals of North Indian sugars in West Coast markets were not heavy and local factories supplied most of their immediate demand. These markets were strong and prices gradually increased in sympathy with Cawnpore markets to such an extent that dealers considered a fall inevitable and therefore tried to sell freely at prevailing rates. The market closed dull and weak.

All other southern markets were strong and demand was good.

### GENERAL:

In view of the firmer conditions that prevailed for new crop Indian sugars and of an anticipated shortage of sugar during the coming year, there was a sudden demand for Java sugar. Nivas is reported to have sold considerable quantities for shipment to India during July and August and a certain quantity for earlier shipment. Rates for Indian and all other markets have been raised.

### TANNED HIDES AND SKINS:

*Tanned Hides*: There was a good demand throughout December and during the latter part of the month, prices became firmer, in spite of the Christmas holidays.

Madras prices at the end of December were as follows:

Primes $5\frac{1}{2}$ lbs. $15\frac{1}{4}$d.;
Primes $8\frac{1}{2}$ lbs. $13\frac{1}{2}$ d.;
Cocos $7\frac{1}{2}$ lbs. $13\frac{3}{4}$d.

*Tanned Goat Skins*: Business during the month was better with an all round improvement in prices. Though the London Public Auctions which took place during the first week of the month started rather slow, a brisk demand set in later which showed that a fair trade existed. At the conclusion of the sale, practically all selections and weights secured an advance of 2d.-4d. over previous sale prices, including some light selections which had been depressed for some time. In Madras Heavies and Medium weights found the best market and light weight skins are still being shipped on a consignment basis. Stocks are very small in Madras. Naturally the Christmas Holidays and the impending stock taking slackness of most United Kingdom factors at the end of the month tended to impede the progress which had been made at the beginning of the month.

*Tanned Sheep Skins*: At the beginning of the month, the Madras market was fair with orders coming through fairly freely, but the Tanned Sheep auctions in London restricted this, as most lots of Prime and Middle class tannages sold quietly at about 2d.-4d. lower than previous prices. Lower grades found a steady market throughout the month without any decrease in values.

Shipments from Madras during December were as follows:

| Goat. | Sheep. | Hides. | Buffs. | Cow calf. | Buff calf. | |
|---|---|---|---|---|---|---|
| 720 | 915 | 3483 | 361 | 585 | 145 | Bales |

ANNEXURE.

*Wholesale prices of commodities ruling in the markets mentioned on 23rd December, 1938.*

| Commodity | Market | Quality of Variety | Unit | Price |
|---|---|---|---|---|
| Cotton | Tirupur | Cambodia | Per Candy of 520 lbs. | Rs. 157 to Rs. 170 |
| do. | do. | Karunganni | do. | Rs. 128 to Rs. 140 |
| Groundnuts | Nandyal | Machine shelled | Per Candy of 581 lbs. | Rs. 20-6-0 |
| do. | Coimbatore | do. | do | Rs. 23-0-0 |
| Pepper | Tellicherry | Garbled | Per cwt. F.O.B. | Rs. 17-8-0 |
| Paddy | Tenali | Kusuma | Per bag of 164 lbs. | Rs. 4-7-5 |
| Rice | do. | do. | do. | Rs. 6-14-0 |
| Coir Yarn | Alleppy | Allapat | Per Candy of 672 lbs. | Rs. 60 to Rs. 70 |
| Copra | Cochin | ... | Per Candy of 655 lbs. | Rs. 46 |
| Cocount Oil | do. | ... | do. | Rs. 66-4-0 |
| Jute | Vizianagaram | Bimli | Per Candy of 506 lbs. | Rs. 35-0-0 |
| Tobacco | Erode | 1st quality | Per md. of 281 lbs. | Rs. 4-0-0 |



## MARKET REPORTS

### Madras—*28th February 1939*

**Cotton Yarn (5 lb. bundles)**

| | R. | A. | P. |
|---|---|---|---|
| **60's** | | | |
| Coimbatore Pioneers | 4 | 8 | 0 |
| Lakshmi | 4 | 8 | 0 |
| Pankaja | 4 | 8 | 0 |
| Manchester (T. Red Peacock) | 9 | 11 | 0 |
| **40's (10 lb. bundles)** | | | |
| Coimbatore Mill | 5 | 9 | 0 |
| Madura Mills | 5 | 14 | 0 |
| **20's** | | | |
| Coimbatore Mills | 3 | 12 | 0 |
| Madura Mills | 4 | 0 | 0 |

**Silk Yarn (per lb.)**

**Japan White—**

| | R. | A. | P. |
|---|---|---|---|
| 20 x 22 | 6 | 10 | 0 |
| **Japan Yellow** | | | |
| 20 x 22 | 6 | 2 | 0 |
| **Canton** | | | |
| 20 x 22 | 5 | 4 | 0 |
| 28 x 32 | 5 | 0 | 0 |

**Japan Thrown Silk—**

| | R. | A. | P. |
|---|---|---|---|
| White 20 x 22 | 8 | 0 | 0 |
| White 13 x 15 | 7 | 14 | 0 |

**Cotton Piecegoods—**

**Grey Mulls—**

| | R. | A. | P. |
|---|---|---|---|
| "Mongoose Snake" 22 x 22 (B) | 6 | 13 | 0 |
| "Two Rats" 22 x 22 | 6 | 10 | 0 |
| **White Mulls—** | | | |
| 1703 | 9 | 4 | 0 |
| Glasgow 9000 | 8 | 15 | 0 |
| 1702 | 8 | 2 | 0 |
| 9041 | 7 | 14 | 0 |
| LL72 | 5 | 13 | 0 |
| LL78 | 6 | 5 | 0 |
| 68/888 | 10 | 0 | 0 |

**Metals (500 lbs.)**

| | R. | A. | P. |
|---|---|---|---|
| Yellow metal Sheets "Dittman" | 171 | 0 | 0 |
| I. C. C. | 170 | 0 | 0 |
| Copper Sheets | 2:6 | 0 | 0 |

**Cement—**

| | R. | A. | P. | | R. | A. | P. |
|---|---|---|---|---|---|---|---|
| "Nilgiri" Brand per 1 cwt. | | | | | 1 | 14 | 0 |
| "Dalmia" | | | | | 1 | 13 | 0 |
| "Hand" brand per cask | 9 | 4 | 0 | to | 9 | 6 | 0 |
| „ per bag of 94 lbs | | | | | 2 | 4 | 0 |
| **Tanned Hides—** | | | | | | | |
| Bangalore 8 to 8½ lbs. | 0 | 9 | 10 | to | 0 | 10 | 1 |
| Up-Countries | 0 | 9 | 7 | to | 0 | 9 | 10 |
| Coasts—7 to 7½ lbs. | 0 | 10 | 1 | to | 0 | 10 | 4 |
| **Tanned Goat—** | | | | | | | |
| Good | 1 | 8 | 0 | to | 1 | 10 | 0 |
| Fair | 1 | 7 | 0 | to | 1 | 8 | 0 |
| Common | 1 | 5 | 0 | to | 1 | 7 | 0 |



| | R. | A. | P. | | R. | A. | P. |
|---|---|---|---|---|---|---|---|
| **Tanned Sheep—** | | | | | | | |
| Good | 1 | 5 | 0 | to | 1 | 7 | 0 |
| Fair | 1 | 3 | 0 | to | 1 | 5 | 0 |
| Common | 1 | 1 | 0 | to | 1 | 2 | 0 |
| **Oil seeds (Machined)** | | | | | | | |
| •Groundnuts (531lbs) | | | | | 26 | 0 | 0 |
| Castor Seed (165 lbs.) | | | | | 9 | 2 | 0 |
| **Produce—** | | | | | | | |
| Rice Boiled Cocanada (160 lbs.) | | | | | 6 | 8 | 0 |
| „ Calcutta Nagara (164 lbs.) | | | | | 7 | 8 | 0 |
| Raw-Rangoon-Broken A 1 (220 lbs.) | | | | | 7 | 14 | 0 |
| Pepper (Tellicherry (Pure) (25 lbs. maund) | | | | | 4 | 0 | 0 |
| Pepper (Bydgi) | | | | | 5 | 8 | 0 |
| Ginger (Dry) Calicut (candy of 500 lbs.) | | | | | 52 | 0 | 0 |
| Chillies Pari per Candy of 500 lbs. | 73 | 8 | 0 | to | 77 | 0 | 0 |
| Potatoes (Ooty) Uru per candy of 500 lbs. | | | | | 22 | 0 | 0 |
| Do Rasi Do | 17 | 0 | 0 | to | 18 | 0 | 0 |
| Do Podi Do | | | | | 15 | 0 | 0 |
| Ghee-Rasipuram per tin of 12 Visses | | | | | 19 | 14 | 0 |
| Butter-Tenali-Special per tin of 12 Visses | | | | | 15 | 6 | 0 |
| Do Gudivada Do | | | | | 14 | 14 | 0 |
| Soapnuts per candy of 500 lbs. | 42 | 0 | 0 | to | 43 | 12 | 0 |
| Tamarind (Bangalore) do. | 29 | 12 | 0 | to | 31 | 8 | 0 |
| Coriander Seeds (Cuddapah) do. | | | | | 52 | 8 | 0 |
| Do (Guntur) do. | | | | | 43 | 12 | 0 |
| Hand-pounded rice raw (Molakulukulu) per bag of 32 measures | | | | | 7 | 8 | 0 |
| Honey (Coorg) per 1 lb. bottle | | | | | | | |

### Bangalore—Mysore Chamber of Commerce

**Silk**—The demand for local goods has improved during the week as a result of an increase in the rates of foreign silk. The prices of local silk continue to be steady.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Kempanaballi Silk | 2 | 10 | 0 | to | 2 | 12 | 0 |
| Sidlaghatta „ | 3 | 0 | 0 | to | 3 | 4 | 0 |
| Closepet „ | 2 | 3 | 0 | to | 2 | 5 | 0 |
| Chickballapur „ | 2 | 9 | 0 | to | 2 | 11 | 0 |
| Kylanur „ | 2 | 11 | 0 | to | 2 | 13 | 0 |
| Mudavadi „ | 2 | 5 | 0 | to | 2 | 6 | 0 |
| Channapatna „ | 1 | 15 | 0 | to | 2 | 1 | 0 |
| Kollegal silk per maund of 1000 tolas | 65 | 0 | 0 | to | 115 | 0 | 0 |
| Silk waste per maund of 28 lbs. | 6 | 0 | 0 | to | 7 | 0 | 0 |

### Bombay Millowners' Association, Bombay

**PIECE-GOODS.**

**Grey, Unbleached.—**

| | Inch. | yds | lb. | Per lb | Rs. | A. | P. |
|---|---|---|---|---|---|---|---|
| Longcloth (Standard Quality) | 37 | 37½ | 9 | „ | 0 | 9 | 2 |
| „ Fine Quality | 44 | 38 | 7⅞ | „ | 0 | 14 | 3 |
| Shirtings | 35 | 38 | 9 | „ | 0 | 8 | 11 |
| „ Vegetable Quality | 37 | 37½ | 9 | „ | 0 | 8 | 4 |
| Leopard Cloth | 43 | 38 | 11½ | „ | 0 | 8 | 11 |
| Dhoties (upto ½" nakhi Border) | 32 | 9 | 1¼ | „ | 0 | 10 | 3 |
| „ (Calcutta ⅜" P.B.) | 44 | 10 | $1\frac{11}{16}$ | „ | Not quoted. | | |
| Drills | 29½ | 40 | 13½ | „ | 0 | 7 | 6 |
| Domestics | 35 | 40 | 13¼ | „ | 0 | 7 | 6 |
| „ | 35 | 40 | 12 | „ | 0 | 7 | 5 |
| Salita | 40 | 66 | 25 | „ | Not quoted. | | |
| Chadars | 50 | 6 | 2¼ | „ | 0 | 9 | 6 |
| 12½s | | | | „ | 0 | 4 | 10 |
| 16s | | | | „ | 0 | 5 | 9 |
| 20s | | | | „ | 0 | 6 | 5 |
| 24s | | | | „ | 0 | 6 | 11 |
| 32s | | | | „ | 0 | 8 | 3 |
| 40s | | | | „ | Not quoted | | |
| 60s | | | | „ | 0 | 1 | 4 |
| 80s | | | | „ | 1 | 4 | 10 |

**White Bleached.—**

| | | | | Rs | A. | P. |
|---|---|---|---|---|---|---|
| Longcloth | 34 | 40 | Per Piece | 9 | 8 | 0 |
| Drill | 27 | 42 | „ | 7 | 10 | 0 |

**Yarn.—**

| | | Rs. | A. | P. |
|---|---|---|---|---|
| 4s (All Waste) | Per lb. | 0 | 3 | 0 |
| 6½s ( „ ) | „ | 0 | 3 | 4 |
| 8½s | „ | 0 | 4 | 7 |
| 10½s | „ | 0 | 4 | 6 |

# Agriculture

SUGARCANE—(As on 28th Jan. 1939).

The average of the areas under sugarcane in the Madras Province during the five years ending 1936-37 has represented 3.2 per cent of the total area under sugarcane in India.

2. The area planted with sugarcane up to 25th December 1938 is estimated at 96,930 acres. When compared with the corresponding estimate of 97,510 acres for the previous year and the actual area of 97,965 acres according to the Season and Crop Report, the present estimate reveals a decrease of 0.6 per cent and 1.1 per cent respectively. The estimate of the previous year fell short of the actual area by only 455 acres or 0.5 per cent.

3. The present estimate of area exceeds the second forecast of 6,130 acres. The excess occurs mainly in Vizagapatam, Bellary, Salem, Coimbatore and Trichinopoly.

4. The decrease in area in comparison with the actual area of 1937 as per Season and Crop Report occurs in all districts outside South Arcot, Salem, Coimbatore, Trichinopoly, Tanjore, Madura Ramnad and the West Coast.

5. The crop suffered to some extent on account of the cyclone in November in East Godavari, West Godavari and Kistna. In parts of South Kanara the crop was affected by floods. The growth of the crop was also affected by the failure of the North-East monsoon rains in some of the other important districts.

6. The harvest has just commenced and yields below normal are expected in all districts outside Guntur, Bellary, Chittoor, Salem and the South Malabar where the yield is expected to be normal. The seasonal factor for the province is calculated at 94 per cent of the average as against 99 per cent in the previous year according to the Season and Crop Report. On this basis, the yield is estimated at 261,130 tons of jaggery as against 266,630 tons estimated in January 1938, a decrease of 2.1 per cent and as against 278,820 tons, estimated in the Season and Crop Report of the previous year, the decrease in this case amounting to 6.3 per cent.

7. The wholesale price of jaggery per imperial maund of 82 2/7 lb. (equivalent to 3,200 tolas) as reported from important markets on 23rd January 1939 was Rs. 9-14-0 in Adoni, Rs. 7-9-0 in Chittoor, Rs. 7-4-0 in Salem, Rs. 7-1-0 in Vellore, Rs. 6-15-0 in Erode, Rs. 6-10-0 in Mangalore, Rs. 6-7-0 in Cuddalore, Rs. 5-14-0 in Trichinopoly, Rs. 5-12-0 in Cocanada and Rajahmundry, Rs. 5-8-0 in Vizagapatam, Rs. 4-15-0 in Bellary and Rs. 4-13-0 in Vizianagram. When compared with the

prices published in the last report, i.e., those which prevailed on 5th December 1938, these prices reveal a rise of about 29 per cent. in Erode, 22 per cent. in Chittoor, 20 per cent in Mangalore and 10 per cent in Vellore and a fall of about 22 per cent in Rajahmundry 20 per cent in Vizagapatam, 12 per cent in Cocanada and 9 per cent in Trichinopoly, the prices remaining stationary in Vizianagram, Adoni, Bellary, Cuddalore and Salem.

8. Figures by districts are given below:—

*(Area in tens of acres, i.e., 0 being omitted, yield in tens of tons of jaggery, i.e., 0 being omitted)*

| District and group. | | | Estimate of the area planted with sugarcane up to the end of September 1938. | Estimate of the area planted with sugarcane up to the end of December 1938. | Area in 1937 as per season and crop report. | Increase (+) or decrease (—) of the area in column (8) as compared with the area in column (4). | Percentage of the estimated yield per acre in the current year as compared with the yield per acre in a year of average season | Estimated yield corresponding to Column (3) | Estimated yield corresponding to Column. (4) |
|---|---|---|---|---|---|---|---|---|---|
| (1) | | | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| | | | ACS. | ACS. | ACS. | ACS. | | TONS. | TONS. |
| Vizagapatam | ... | ... | 2,700 | 2,900 | 3,083 | — 183 | 95 | 7,994 | 9,040 |
| East Godavari | ... | ... | 600 | 610 | 822 | — 212 | 94 | 1,920 | 2,780 |
| West Godavari | ... | ... | 170 | 170 | 196 | — 26 | 77 | 438 | 691 |
| Kistna | ... | ... | 200 | 210 | 241 | — 31 | 90 | 633 | 791 |
| Guntur | ... | ... | 40 | 40 | 60 | — 20 | 100 | 134 | 202 |
| | Total, Circars | | 3,710 | 3,930 | 4,402 | — 472 | 94 | 11,119 | 13,504 |
| Kurnool | ... | ... | 20 | 25 | 54 | — 29 | 95 | 48 | 91 |
| Bellary | ... | ... | 680 | 770 | 774 | — 4 | 100 | 2,062 | 1,910 |
| Anantapur | ... | ... | 160 | 160 | 252 | — 92 | 95 | 292 | 401 |
| Cuddapah | ... | ... | 15 | 18 | 33 | — 15 | 93 | 45 | 85 |
| | Total, Deccan | | 875 | 973 | 1,113 | — 140 | 99 | 2,446 | 2,487 |
| Nellore | ... | ... | Nil. | Nil. | 4 | — 4 | Nil. | Nil. | 12 |
| Chingleput | ... | ... | 17 | 19 | 25 | — 6 | 95 | 48 | 57 |
| South Aroct | ... | ... | 980 | 1,000 | 758 | + 242 | 85 | 2,466 | 2,110 |
| | Total, Carnatic | | 997 | 1,019 | 787 | + 232 | 85 | 2,514 | 2,179 |
| Chittoor | ... | ... | 700 | 700 | 793 | — 93 | 100 | 2,281 | 2,710 |
| North Arcot | ... | ... | 500 | 510 | 626 | — 116 | 95 | 1,298 | 1,580 |
| Salem | ... | ... | 350 | 420 | 409 | + 11 | 100 | 1,125 | 1,170 |
| Coimbatore | ... | ... | 660 | 750 | 580 | + 170 | 87 | 2,185 | 1,710 |
| Trichinopoly | ... | ... | 600 | 660 | 417 | + 243 | 93 | 1,370 | 932 |
| | Total, Central | | 2,810 | 8,040 | 2,825 | + 215 | 94 | 8,259 | 8,102 |
| Tanjore | ... | ... | 75 | 80 | 65 | + 15 | 100 | 214 | 180 |
| Madura | ... | ... | 160 | 180 | 140 | + 40 | 100 | 482 | 371 |
| Ramnad | ... | ... | 20 | 25 | 23 | + 2 | 100 | 50 | 46 |
| Tinnevelly | ... | ... | 19 | 20 | 21 | — 1 | 100 | 40 | 40 |
| | Total, South | | 274 | 305 | 249 | + 56 | 100 | 786 | 637 |
| Malabar | ... | ... | 4 | 6 | 5 | + 1 | 100 | 16 | 11 |
| South Kanara | ... | ... | 410 | 420 | 416 | + 4 | 96 | 972 | 962 |
| | Total, West Ccast | | 414 | 426 | 421 | + 5 | 96 | 988 | 973 |
| | Total, Province | | 9,080 | 9,693 | 9,797 | — 104 | 94 | 26,113 | 27,882 |

## GINGELLY—(As on 11th Jan. 1939).

The average of the areas under gingelly in the Madras Province during the five years ending 1936-37 has represented 15.4 per cent of the total area under gingelly in India.

2. The area sown with gingelly up to 25th December 1938 is estimated at 575,300 acres. When compared with the area of 546,400 acres estimated for the coresponding period of last year, it reveals an increase of 5.3 per cent.

3. There is an increase in area in the Circars (Vizagapatam excepted), the Deccan, Nellore, South Arcot, Trichinopoly and the South partly counter balanced by a decrease in area in the rest of the Province. The variations are marked in Vizagapatam (—22,000 acres), East Godavari (+ 12,000 acres), West Godavari (+ 26,000 acres), Anantapur (+10,000 acres), Chingleput (—11,700 acres), North Arcot (—23,500 acres), Coimbatore (—10,000 acres) and Trichinopoly (+29,000 acres).

4. The main crop has been harvested except in the South. The crop was affected by heavy rain at the time of harvest in Kistna and by drought in most of the other districts. In consequence, the yield is reported to be below normal in all districts except West Godavari, Guntur, Kurnool, Bellary, Anantapur, Tanjore, Tinnevelly and South Kanara.

5. The seasonal factor for the Province works out to 84 per cent of the average as against 90 per cent for the corresponding period of last year. On this basis, the yield is estimated at 65,400 tons as against 66,300 tons for the corresponding period of last year, a decrease of 1.4 per cent.



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 9th January 1939 was Rs. 6-12-0 in Trichinopoly, Rs. 6-10-0 in Tinnevelly, Rs. 6-1-0 in Salem, Rs. 6-0-0 in Cocanada, Rs. 5-15-0 in Cuddalore, Rs. 5-11-0 in Rajahmundry, Rs. 5-9-0 in Ellore, Rs. 5-4-0 in Vizagapatam, Rs. 5-2-0 in Vizianagram and Tuticorin. When compared with the prices published in the last report, i.e., those which prevailed on 7th November 1938, these prices reveal a rise of about 12 per cent. in Ellore, 11 per cent in Vizagapatam, 10 per cent in Ellore, 8 per cent in Tinnevelly, 7 per cent in Rajahmundry and 3 per cent in Trichinopoly and a fall of about 8 per cent in Tuticorin, the prices remaining stationary in Vizianagram, Cuddalore and Salem.

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 with gingelly up to the end of September 1938. | Estimate of the area sown with gingelly up to the end of December 1938. | Estimate of the area sown with gingelly up to the end of December 1937. | 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 yield per acre in a year of average season. | Estimated yield corresponding to Col. (3). | Estimated yield corresponding to Col. (4). |
|---|---|---|---|---|---|---|---|---|---|
| (1) | | | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| | | | ACS. | ACS. | ACS. | ACS. | | TONS. | TONS. |
| Vizagapatam | ... | ... | 100,0 | 101,0 | 123,0 | — 22,0 | 95 | 14,4 | 16,6 |
| East Godavari | ... | ... | 50,0 | 52,0 | 40,0 | + 12,0 | 95 | 7,4 | 5,7 |
| West Godavari | ... | ... | 47,0 | 48,0 | 22,0 | + 26,0 | 100 | 7,2 | 3,1 |
| Kistna | ... | ... | 7,0 | 7,0 | 3,5 | + 3,5 | 75 | 8 | 5 |
| Guntur | ... | ... | 2,0 | 2,2 | 1,5 | + 7 | 100 | 3 | 2 |
| Total, Circars | | ... | 206,0 | 210,2 | 190,0 | + 20,2 | 96 | 30,1 | 26,1 |
| Kurnool | ... | ... | 1,8 | 1,8 | 1,1 | + 7 | 100 | 2 | 1 |
| Bellary | ... | ... | 12,0 | 14,0 | 8,0 | + 6,0 | 100 | 1,4 | 6 |
| Anantapur | ... | ... | 32,0 | 37,0 | 27,0 | + 10,0 | 100 | 3,7 | 2,0 |
| Cuddapah | ... | ... | 3 | 4 | 4 | Nil | 87 | Nil | Nil |
| Total, Deccan | | ... | 46,1 | 53,2 | 36,5 | + 16,7 | 100 | 5,3 | 2,7 |
| Nellore | ... | .. | 6,0 | 6,0 | 5,5 | + 5 | 80 | 6 | 7 |
| Chingleput | ... | ... | 9,5 | 14,3 | 26,0 | — 11,7 | 95 | 1,7 | 3,1 |
| South Arcot | ... | ... | 15.0 | 18,0 | 14.0 | + 4,0 | 85 | 1,9 | 1,6 |
| Total, Carnatic | | ... | 30,5 | 38,3 | 45,5 | — 7,2 | 88 | 4,2 | 5,4 |
| Chittoor | ... | ... | 6,0 | 6,0 | 7,0 | — 1,0 | 76 | 6 | 8 |
| North Arcot | ... | ... | 11,0 | 11,0 | 34,5 | — 23,5 | 70 | 1,0 | 3,0 |
| Salem | ... | ... | 65,0 | 66,0 | 67,0 | — 1,0 | 76 | 6,3 | 8,4 |
| Coimbatore | ... | ... | 44,0 | 47,0 | 57,0 | — 10,0 | 60 | 3,5 | 6,5 |
| Trichinopoly | ... | ... | 58,0 | 80,0 | 51,0 | + 29,0 | 65 | 7,8 | 6,9 |
| Total, Central | | ... | 184,0 | 210,0 | 216,5 | — 6,5 | 68 | 19,2 | 25,6 |
| Tanjore | ... | ... | 4,5 | 5,0 | 4,0 | + 1,0 | 100 | 7 | 6 |
| Madura | ... | ... | 26,5 | 35,0 | 29,0 | + 6,0 | 76 | 3,3 | 3,3 |
| Ramnad | ... | ... | 4,0 | 5,0 | 5,0 | Nil | 79 | 5 | 6 |
| Tinnevelly | ... | ... | 10,0 | 11,0 | 9,0 | + 2,0 | 100 | 1,4 | 1,0 |
| Total, South | | ... | 45,0 | 56,0 | 47,0 | + 9,0 | 83 | 5,9 | 5,5 |
| Malabar | ... | ... | 4,5 | 6,2 | 9,4 | — 3,2 | 76 | 5 | 8 |
| South Kanara | ... | ... | 1,4 | 1,4 | 1,5 | — 1 | 100 | 2 | 2 |
| Total, West Coast | | ... | 5,9 | 7,6 | 10,9 | — 3,3 | 80 | 7 | 1,0 |
| Total, Province | | ... | 517,5 | 575,3 | 546,4 | + 28,9 | 84 | 65,4 | 66,3 |

GROUNDNUT.—

The average of the areas under groundnut in the Madras Province during the five years ending 1936-37 has represented 47.8 per cent of the total area under groundnut in India.

2. The area sown with groundnut in the province in 1938 is estimated at 3,835,300 acres. When compared with the corresponding estimates of 4,564,800 acres for the previous year and the actual area of 4,657,596 acres according to the season and crop report of the previous year, the present estimate reveals a decrease of 16,0 per cent and 17,7 per cent respectively. The estimated area for this year exceeds the average area of 3,075,230 acres by about 24.7 per cent.

The decrease in area is general outside Vizagapatam, East Godavari, Chingleput, Coimbatore, Trichinopoly and Malabar.

3. The harvesting of the summer and early crop of groundnut had concluded by the end of October. The harvesting of the winter or main crop is proceeding.

The crop was affected by heavy rains at the time of harvest in Kistna and by drought in most of the other districts. The crop has also been affected to some extent by an attack of insect pests in Bellary, Anantapur and Salem. In consequence, the yield is expected to the below normal outside East Godavari, Guntur, Tinnevelly and Malabar. The yield is estimated to be very low in Kistna (59 per cent), Nellore (55 per cent), South Arcot (47 per cent) and North Arcot (56 per cent). The seasonal factor for the province as a whole works out to 76 per cent of the average as against 88 per cent in the previous year according to the season and crop report. On this basis, the yield is expected to be 1,448,500 tons of unshelled nuts as against 2,059,270 tons in the previous year, a decrease of 29.7 per cent. The yield in an average year is estimated at 1,540,280 tons.

4. The wholesale price of groundnut (shelled) per imperial maund of 82-2/7 lb. (equivalent to 3,200 tolas), as reported from important markets on 9th January 1939 was Rs. 4-5-0 in Cuddalore, Rs. 4-1-0 in Vizagapatam, Rs. 4 in Guntur, Rs. 3-14-0 in Vizianagram, Rs. 3-9-0 in Coimbatore and Anantapur, Rs. 3-8-0 in Cuddapah, Vellore and Tadapatri, Rs. 3-4-0 in Nandyal, Rs. 3-3-0 in Adoni and Hindupur and Rs. 3-2-0 in Bellary. When compared with the prices published in the last report, i.e., those which prevailed on 7th November 1938, these prices reveal a rise of about 19 per cent in Tadpatri, 13 per cent in Hindpur, 12 per cent in Vizagapatam, Cuddapah and Coimbatore, 11 per cent in Adoni, 10 per cent in Guntur and Nandyal, 9 per cent in Vizianagram and Cuddalore and 6 per cent in Bellary and Vellore and a fall of about 5 per cent in Anantapur





5. Figures by districts are given below :—

(*Area in hundreds of acres, i.e., 00 being omitted ; yield in hundreds of tons of nuts in shell, i.e., 00 being omitted.*)

| District and group. | Estimate of the area sown in 1938. | Area in 1937-38 as per season and crop report. | Average area as per season and crop report. | Increase (+) or decrease (—) of the area in col. (2) as compared with the area in Col. (3). | Increase (+) or decrease (—) of the area in col. (2) as compared with the area in Col. (4). | Percentage of the estimated yield per acre in the current year as compared with the normal yield per acre. | Estimated yield according to Col. (2). | Estimated yield according to Col. (3). | Estimated yield according to Col. (4). | Increase (+) or decrease (—) of the yield in col. (8) as compared with the yield in Col. (9) | Increase (+) or decrease (—) of the yield in col. (8) as compared with the yield in Col. (10) | District and group. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| | ACS. | ACS. | ACS. | ACS. | ACS. | | TONS. | TONS. | TONS. | TONS. | TONS. | |
| Vizagapatam ... | 210,0 | 205,1 | 175,0 | + 4,9 | + 35,0 | 86 | 90,3 | 94,4 | 87,5 | — 4,1 | + 2,8 | Vizagapatam. |
| East Godavari ... | 4,4 | 4,2 | 2 | + 2 | + 4,2 | 100 | 2,2 | 2,3 | 1 | — 1 | + 2,1 | East Godavari. |
| West Godavari ... | 32,0 | 52,0 | 5,1 | — 20,0 | + 26,9 | 70 | 11,2 | 25,2 | 2,6 | — 14,0 | + 8,6 | West Godavari. |
| Kistna ... ... | 177,0 | 208,2 | 97,3 | — 31,2 | + 79,7 | 59 | 52,2 | 127,0 | 48,7 | — 74,8 | + 3,5 | Kistna. |
| Guntur ... ... | 312,0 | 417,6 | 249,0 | — 105,6 | + 63,0 | 100 | 156,0 | 205,0 | 125,0 | — 49,0 | + 31,0 | Guntur. |
| Total, Circars | 735,4 | 887,1 | 526,6 | — 151,7 | + 208,8 | 85 | 311,9 | 453,9 | 263,9 | — 142,0 | + 48,0 | Total, Circars. |
| Kurnool ... ... | 408,0 | 591,9 | 369,0 | — 183,9 | + 39,0 | 95 | 193,8 | 243,0 | 185,0 | — 49,2 | + 8,8 | Kurnool. |
| Bellary ... ... | 247,0 | 376,7 | 289,0 | — 129,7 | — 42,0 | 95 | 117,3 | 126,0 | 145,0 | — 9,0 | — 27,7 | Bellary. |
| Anantapur ... | 318,0 | 446,5 | 348,0 | — 128,5 | — 30,0 | 89 | 141,5 | 165,0 | 174,0 | — 23,5 | — 32,5 | Anantapur. |
| Cuddapah ... | 180,0 | 287,3 | 177,0 | — 107,3 | + 3,0 | 68 | 61,2 | 131,0 | 88,5 | — 69,8 | — 27,3 | Cuddapah. |
| Total, Deccan | 1,153,0 | 1,702,4 | 1,183,0 | — 549,4 | — 30,0 | 89 | 513,8 | 635,0 | 592,5 | — 151,2 | — 78,7 | Total, Deccan. |
| Nellore ... ... | 25,0 | 25,6 | 12,8 | — 6 | + 12,2 | 55 | 6,9 | 14,5 | 6,4 | — 7,6 | + 5 | Nellore. |
| Chingleput ... | 82,0 | 80,9 | 38,0 | + 1,1 | + 44,0 | 76 | 31,2 | 39,2 | 19,0 | — 8,0 | + 12,2 | Chingleput. |
| South Arcot ... | 465,0 | 471,3 | 333,0 | — 6,3 | + 132,0 | 47 | 109,3 | 205,0 | 167,0 | — 95,7 | + 57,7 | South Arcot. |
| Total, Carnatic | 572,0 | 577,8 | 383,8 | — 5,8 | + 188,2 | 52 | 147,4 | 258,7 | 192,4 | — 111,3 | — 45,0 | Total, Carnatic. |
| Chittoor ... | 181,0 | 201,9 | 99,4 | — 20,9 | + 81,6 | 71 | 64,3 | 90,9 | 49,7 | — 26,6 | + 14,6 | Chittoor. |
| North Arcot ... | 390,0 | 439,9 | 305,0 | — 49,9 | + 85,0 | 56 | 109,2 | 189,0 | 153,0 | — 79,8 | — 43,8 | North Arcot. |
| Salem ... ... | 169,0 | 192,8 | 107,0 | — 23,8 | + 62,0 | 68 | 57,5 | 96,4 | 53,5 | — 38,9 | + 4,0 | Salem. |
| Coimbatore ... | 205,0 | 200,6 | 164,0 | + 4,4 | + 41,0 | 71 | 72,8 | 94,3 | 82,0 | — 21,5 | — 9,2 | Coimbatore. |
| Trichinopoly ... | 140,0 | 133,6 | 98,5 | + 6,4 | + 41,5 | 72 | 50,4 | 59,5 | 49,3 | — 9,1 | + 1,1 | Trichinopoly. |
| Total, Central | 1,085,0 | 1,168,8 | 773,9 | — 83,8 | + 311,1 | 65 | 354,2 | 530,1 | 387,5 | — 175,9 | — 33,3 | Total, Central. |
| Tanjore ... ... | 68,0 | 68,9 | 56,6 | — 9 | + 11,4 | 91 | 30,9 | 29,3 | 28,3 | — 1,6 | + 2,6 | Tanjore. |
| Madura ... ... | 150,0 | 161,1 | 92,9 | — 11,1 | + 57,1 | 81 | 60,8 | 78,1 | 46,5 | + 17,3 | + 14,3 | Madura. |
| Ramnad ... | 50,0 | 64,6 | 47,6 | — 14,6 | + 2,4 | 74 | 18,5 | 33,0 | 23,8 | — 14,5 | — 5,3 | Ramnad. |
| Tinnevelly ... | 17,0 | 22,1 | 9,6 | — 5,1 | + 7,4 | 100 | 8,5 | 10,0 | 4,8 | — 1,5 | + 3,7 | Tinnevelly. |
| Total, South | 285,0 | 316,7 | 206,7 | — 31,7 | + 78,3 | 83 | 118,7 | 150,4 | 103,4 | — 31,7 | + 15,3 | Total, South. |
| Malabar ... | 4,9 | 4,8 | 1,2 | + 1 | + 3,7 | 100 | 2,5 | 1,2 | 6 | — 1,3 | + 1,9 | Malabar. |
| Total, Province | 3,835,3 | 4,657,6 | 3,075,2 | — 822,3 | + 760,1 | 76 | 1,448,5 | 2,059,3 | 1,540,3 | — 610,8 | — 91,8 | Total, Province. |

# Sir James Taylor

Speaking at the Fourth Annual General Meeting of the shareholders of the Reserve Bank of India held at Madras, Sir James Taylor, Governor, surveyed the events of the past year with special reference to the Governments' borrowing policy, the attitude of the Provincial Ministers towards rural welfare schemes, the Reserve Bank's relationship with the scheduled banks and need for banking legislation in India.

At the outset he said that the profits of the Bank were slightly higher than in the previous year and they were in a position to pay an additional sum of Rs. 10 lakhs to Government as surplus. The market conditions for long-term rates were fairly easy and money could be found for long-term periods as could be seen from the fact that the two provinces, Punjab and Madras, which went to the market, were able to obtain their requirements on practically the same 3 per cent basis as previous years, rates which would compare favourably with those available in any other country in the world. He pointed out that the borrowing policy of the Government was sound and "capital expenditure is restricted to enterprises which are likely to bringing in an independent return, such as electric scheme or irrigation works and are not as in many other countries made to cover expenditure which is being met by borrowed money not because it is likely to be financially productive, but because of the real or fancied impossibility of increasing the burden of taxation and in the vague hope that the future generation will be better able to pay than the present. Though such borrowing can be made at cheap rates, the preservation of such rates must become increasingly artificial, and from this point of view the borrowing policy of India's Governments, both Central and Provincial, must be regarded as exceptionally sound with the natural result that it is being reflected in the cheap terms at which it is still available".

Regarding the future he observed that the general outlook did not portend any good augury for the future. But at the same time he added that one need not be unreasonably pessimistic as to ignore the strength of the factors making for peace and "what is more apparent then ever is that given a slackening in world tension everything is set for a rapid recovery." He said that the fact that Japan and China were engaged in a continuous war affected the exports and imports of India and it would be hopeless to expect any great revival in that direction of improvement of trade so long as the most important purchaser, Japan, got engaged in a struggle of such magnitude.

Regarding the attitude of the Provincial Government towards rural welfare schemes he said "The outstanding feature of the budget estimate of the autonomous provinces for 1938-39 was the increased provision made for rural development in various directions. In several provinces the Government have provided for increased expenditure on schemes connected with rural development in various directions". Dwelling on the activities of the Agricultural Credit Department which was keeping in touch with questions concerning rural finance Sir James said: "It is a matter for gratification that it is being increasingly utilised for this purpose In the bulletins which issue from this Department from time to time we have endeavoured to show how the problem of rural betterment can best be tackled by a comprehensive programme designed to improve every aspect of the life of the cultivator."

Stressing the necessity of the scheduled banks getting into closer touch with the Reserve Bank and commenting upon the recent banking crisis that overtook South India he said "the crisis revealed the necessity of the scheduled banks maintaining a closer touch with the Reserve Bank to give us a clearer idea of their position and working and put us in a position to extend credit to deserving institutions without delay". He said that some of the South Indian Banks on invitation agreed to place themselves unreservedly into the hands of the Reserve Bank authorities entirely on a voluntary co-operation on both sides, the Reserve Bank was enabled to keep itself fully informed of the financial position of the member banks and enabled the latter in certain cases to ward off trouble by the receipt of timely advice or guidance from the Reserve Bank and the information would put the Reserve Bank in a better positon to carry out their policy of affording full support to those institutions which would comply with their requirements. He also pointed out that the Reserve Bank have been busy making efforts to get into contact with the non-scheduled banks so that they might also afford relief to them in case of emergency and which would enable the Reserve Bank to 'obtain a real insight into a field of banking about which so far comparatively little information is available'. He also maintained that small banks with inadequate reserves and capital opening branches not only in the same presidency but also in distant places and attracting capital by offering high rates while in actual practice they would not be able to compete with bigger banks, instead or advancing banking interests actually would retard the progress of sound banking. He wished that such small banks would do well to concentrate their resources and energy in their localities.

In conclusion he suggested that it would seem desirable 'that the methods of voluntary co-operation and co-ordination which have proved so successful in the United Kingdom, should be explored to the full and secondly even if such measures do not prove adequate in this country as a permanent solution they at any rate give us the opportunity of acquiring information which is necessary if reasoned and practical proposals are to be submitted to the legislature". He advocated also the necessity for trained personnel in the case of the co-operative movement "whose great potentialities for rural uplift had not yet been fully explored".

What one feels at the non-chalant manner in which he referred to the great banking catastrophe of South India and at the complete lack of concern to explain the part played by the Reserve Bank in that crisis is that the Reserve Bank is only a duplication of the Finance Department of an irresponsible Central Government. Probably Sir James Taylor would regard it as a compliment as he manfully carries out the traditions of the Steel Frame in the new sphere into which he is translated. What with Indian Civil Service Officers and the Imperial Bank Covenanted Servants so dominating the destinies of the Reserve Bank the country should not reasonably expect a better show. Sir James characteristically kept mum about the ratio controversy that is said to be raging within the precincts of the Central Board.

# Trade Enquiries

The Indian Government Trade Commissioner, Mombasa has received the following Trade Enquiries:—

*Advertisement blocks.*—A firm in Nairobi wished to be supplied with the names of makers of advertisements blocks in India.

*Canned Provisions.*—A firm in Dar-es-Salaam wished to be introduced to the manufacturers of canned fruit etc., in India.

*Sulphuric Acid.*—A firm in Dar-es-Salaam wished to be put in torch with the manufacturers of sulphric acid in India.

*Fireclay Pipes.*—A leading firm in Mombasa wished to be introduced to the manufacturers of fireclay pipes in India.

*Coir mats and matting.*—A firm in Kisumu wished to be introduced to the manufacturers of coir mats and rugs in India.

*Art and fancyware.*—A firm in Dar-es-Salaam wished to be put in touch with exporters of brassware, silverware, carved sandalwood boxes and ivory inlaid tables.

Piecegoods.—A number of firms in various trade centres in East Africa wished to be put in touch with the manufacturers in India of cotton and woollen piecegoods and hosiery with a view to do business as direct buyers or on agency basis.



# Proceedings of Public Bodies

## SOUTHERN INDIA CHAMBER OF COMMERCE.

### Madras Electricity Duty Bill.

The Committee of the Chamber considered the Madras Electricity Duty Bill and addressed the following communication to the Government of Madras:

"My Committee desire to express at the outset a general ground of objection to the levy of the duty under present conditions. Electric power has been in vogue in the Province on any considerable scale only during the last one decade. and we are yet far from having systematized the production or distribution on a permanent basis. Apart from that, rural supply of electric power for agricultural purposes and for small industries is yet to be developed, for which the difference licensees have to take especial interest. It need hardly be stated that this Province is very backward in industries, and in respect of several industrial products this Province is practically used as a dumping ground by other Provinces, not to speak of foreign countries. The Government of Madras, therefore, may be pleased to keep in mind the fact that this Province is not entirely at liberty to follow blindly the lines of taxation which the industralised Provinces of India adopt. My Committee therefore desire to point out that although certain other provinces have introduced a duty on electric power, it would be somewhat premature for this Province to follow them.

"My Committee note that the amended bill contains a provision for enabling the licensees to shift the duty whenever Government are satisfied about their inability to bear the whole cost of it. It is to be noted that in many cases the licensees are handicapped by subsisting agreements with large consumers for supply of energy at specified rates for a certain period. It is true that some licensees under present circumstances are in a position to bear a portion of any such levy, but there are numerous small licensees who cannot bear any portion of the levy at all. Under the conditions of issue of license Government are expected constantly to keep in touch with every individual licensee, examine the accounts and have up-to-date information as to the capacity to declare dividends and to bear taxation. As that is the case, my Committee think it would be superfluous to take the extra precaution of examining accounts and affairs of the burden wholly or partly. Government would recognise the merit of the objection that unnecessary and frequent interference by the Authorities in the internal administration of industrial enterprises would be injurious and contrary to the general interest of the country. My Committee quite agree that licensees should not allow themselves to declare unnecessarily high dividends, any dividend higher than is absolutely necessary for the industry. If Government could see that the licensees having the advantage of faultless and efficient management are enabled to declare about 4 to 5 per cent. dividend, any surplus of their profits remaining could conveniently be diverted to the payment of Government claims.

"Now that Government have recognised the claims of licensees to shift the burden on to consumers under certain conditions, those entitled to exemptions as adopted in Bombay and Calcutta should be considered. Those Provinces recognised the exemption of the following consumers, the exemption not applying to residental premises:—

> Government, Railway Administrations, Local Authorities, Tramway Companies, Mines, Industrial undertakings, Hospitals and Dispensaries, and consumers of 15 units and less per month.

In this connection my Committee desire to point out that the arbitrary limit of 2 as. per unit above which a consumer is liable to the tax is untenable. There are large numbers of bulk consumers whose charge is invariably less than 2 as. per unit. Among such institutions are the Madras Port Trust, the Madras Corporation, the Railway Companies and certain commercial undertakings. My Committee quite concede that use of power for street lighting and industrial purposes is of a peculiar category, and if Local Authorities who are responsible for such distribution are unable to bear the tax, it would be quite justifiable to exempt them but they do not see why power taken by those local Authorities for other purposes should be similarly exempt. Government would recognise that power taken by those Local Authorities for lights and fans and in their turn retailed by them to other consumers for lights and fans are to be taxed in all fairness to the other classes of consumers brought under the levy of the tax. It need hardly be pointed out that if the bulk consumers are exempt from the levy, Government will stand to lose a good portion of revenue and the burden of the duty will therefore be falling most inequitably upon the other consumers who are actually made to pay the tax.

"My Committee are similarly unable to appreciate the limit of 2 lakhs of units for the year prescribed in the Bill, above which a licensee would be liable to the tax. My Committee feel rather that it would be better to prescribe the classes of use of electrical energy which are liable to the tax. Use of electricity in rural parts would be discouraged as the licensees would be reluctant to extend their activities so as to exceed the above limit. My Committee are similarly opposed to consumers living in neighbouring areas being placed differently with regard to the new duty, as it would be undue discrimination. The distribution of energy by Government in retail to consumers should also be made to bear the same duty as elsewhere.

"The Committee of the Chamber considered the Madras Sales of Motor Spirit Taxation Bill, and addressed the following communications to the Government of Madras.

**Madras Sales of Motor Spirit Taxation Bill.**

"A tax of 1a. 6ps. per gallon of motor spirit sold is not only in itself a **heavy tax but compared** to the similar levy in other Provinces is heavier than elsewhere. It would be wrong to consider any more that petrol is a luxury commodity. On the other hand almost the entire system of rural transport in this Province is sustained by the cheap availability of motor service both of buses and of lorries. In this far-flung Province with widely scattered villages and undeveloped areas it would be unstatesmanlike to take any steps that are calculated to increase the cost of transport in rural areas. Government cannot be unaware of the fact that the Indian Railway transport policy is entirely managed and controlled by interests which are far from being national, and the absence of a national transport policy on the railways is one of the worst handicaps to the development of the economic resources and industries of this country. Under these circumstances the advent of the cheap motor transport service has been hailed by the agriculturists and the masses of the country as a great boon. This Chamber is therefore of opinion that Government may be pleased to keep down to the minimum any extra charges that are proposed to be imposed on the transport services of this Province.

"While other Provinces have contented themselves with a levy of 1a. per gallon, the Government of Madras have started with a levy of 1a. 6ps. per gallon, and what is worse, Government are seeking to take powers for the modification of the charges as they like by mere notification in the Gazette. It is bound to introduce a great deal of uncertainty in transport conditions. This Chamber would suggest that having regard to the backward conditions of this agricultural Province Government may be pleased to limit the duty for the time being to one anna per gallon.

"Another suggestion that this Chamber would make is with regard to the administration of the Act.

**The Chamber realises that Government are hard pressed for money, and therefore believes that** Government would be ready to accept any suggestion which is calculated to reduce the cost of collection to the minimum. Government are aware that the shares of the Provinces in the Road Fund are very correctly and economically adjusted under the agency of the Government of India. Now that the question of the right of the Provinces for sales tax on a commodity which is the object of taxation by the Central Government has been recognised indisputably, there might be no objection on the part of the Central Government to undertake a levy on behalf of any of the Provinces. If, however, they should be unwilling, it would still be open to the Provinces to devise a more economical machinery for collection of the petrol tax. This Chamber would suggest that, under all circumstances, the very elaborate arrangements detailed in the Bill, such as separate registration of every dealer and every retail dealer in every nook and corner of the country not only individually but for each and every place of business owned by a dealer separately as also the furnishing of the necessary security and deposit of amount, maintenance of books of accounts, submission of monthly returns and monthly remittances accompanies by periodical inspection of accounts by Government officers and so on are cumbersome. The penalties and punishments prescribed in the bill are none too moderate. Confiscation of properties, fines, arrest of persons and investigation by all sorts of officers whether of the Excise department, police department, or Land Revenue department, and what is worse, the unrestricted right of search of premises without warrant and so on are bound to be extremely irksome and vexatious to the vast majority of businessmen who have anything to do with the sale of petrol.

"Apart from the stringent precautions that Government are obliged to take and the most vexatious interference that they would make themselves responsible for and the consequent annoyance and irritation caused to the people, the Government are bound to lose a great deal of their collection for the maintenance of such a machinery. This Chamber would therefore suggest that the collection of the duty, if levied, should be made at an earlier stage of the transactions, that is, at the time of the motor spirit leaving the hands of the wholesale distributors and importers. Government know that the business of distribution is, so far as this Province is concerned, practically confined to four companies. It is open to Government to require the registration of wholesale distributors and importers, so that if any new company opens business it would automatically come under the control of the Government. A possible objection to payment of tax by such companies would be that at the time the oil leaves their hands they would not be in a position to say whether it is an outright

*(Continued on page 67)*



# FINANCE

## *Treasury Bills Position*

(In Thousands of Rupees)

| Week-ending 1938 | | Treasury Bill sales. | Average Discount etc. | Total Outstandings etc. |
|---|---|---|---|---|
| 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 9 | 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 |
| ,, 28 | ... | 1,50,00 | 0 11 0 | 16,97,00 |
| August 4 | ... | 1,50,00 | 0 10 1 | 16,47,00 |
| ,, 11 | ... | 1,50,00 | 0 9 10 | 16,47,00 |
| ,, 18 | ... | 2,00,00 | 0 9 8 | 17,47,00 |
| ,, 25 | ... | 2,00,00 | 0 9 11 | 18,47,00 |
| September 1 | ... | 2,00,00 | 0 10 10 | 19,81,75 |
| ,, 8 | ... | 2,00,00 | 0 11 10 | 20,99,75 |
| ,, 14 | ... | 2,00,00 | 0 12 11 | 21,99,75 |
| ,, 22 | ... | 2,00,00 | 1 0 9 | 22,99,75 |
| ,, 29 | ... | 1,16,25 | 1 8 3 | 23,16,00 |
| October 6 | ... | 2,00,00 | 1 6 5 | 24,16,00 |
| ,, 14 | ... | 2,00,00 | 1 5 1 | 24,66,25 |
| ,, 20 | ... | 2,50,00 | 1 5 3 | 25,66,25 |
| ,, 27 | ... | 3,00,00 | 1 5 10 | 27,16,25 |
| November 3 | ... | 3,00,00 | 1 5 8 / 1 4 0 | 28,66,25 |
| ,, 10 | ... | 2,65,50 | 1 5 10 | 29,81,75 |
| ,, 17 | ... | 3,05,00 | 1 6 8 | 31,36,75 |
| ,, 24 | ... | 3,68,75 | 1 7 9 | 33,05,50 |
| December 1 | ... | 2,53,75 | 1 10 4 | 33,59,25 |
| ,, 8 | ... | 2,10,50 | 1 13 6 | 33,69,75 |
| ,, 15 | ... | 1,68,25 | 2 1 6 | 33,38,00 |
| ,, 22 | ... | 1,14,00 | 2 3 10 | 30,52,00 |
| ,, 29 | | 1,12,00 | 2 8 10 | 30,47,75 |
| Jan. 5 1939 | ... | 1,09,00 | 2 9 2 | 29,56,75 |
| ,, 12 | ... | 1,53,50 | 2 10 0 | 31,10,25 |
| ,, 19 | ... | 1,[illegible]0,00 | 2 9 0 | 30,80,25 |

**Currency Notes issued in India and Burma**
(In Crores of Rupees)

| | | 1935 | 1936 | 1937 | 1938 |
|---|---|---|---|---|---|
| January | ... | 184 | 194 | 204 | 213 |
| February | ... | 182 | 194 | 208 | 213 |
| March | ... | 186 | 195 | 208 | 214 |
| April | .. | 186 | 195 | 208 | 214 |
| May | ... | 186 | 196 | 207 | 214 |
| June | ... | 187 | 198 | 208 | 214 |
| July | ... | 110 | 201 | 212 | 213 |
| August | ... | 192 | 202 | 213 | 215 |
| September | ... | 195 | 203 | 213 | 212 |
| October | ... | 194 | 203 | 214 | 209 |
| November | ... | 195 | 202 | 214 | 208 |
| December | ... | 194 | 201 | 214 | 206 |

**Gold Exports from India**
(In Lakhs of Rupees)

| | | 1935 | 1936 | 1937 | Current Deposits. 1938 | Time Deposits. 1939 |
|---|---|---|---|---|---|---|
| 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;45 | ... |
| 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 | 3;05;05 | ... |
| August | ... | 6,76,96 | 2,25,74 | 1 44,01 | 2;01;15 | .. |
| September | ... | 3,71,91 | 2,21,31 | 1,44,81 | ... | ... |
| October | ... | 3,04,63 | 2,19,07 | 1,30,46 | 1,34,21 | 1,06,30 |
| November | ... | 3,96,16 | 3,58,28 | 1,17,57 | 1,33,83 | 1,06,40 |
| December | ... | 2,77,62 | 1,55 71 | 1,65,73 | 1,30,15 | 1,08,44 |
| Total | ... | 44,22,27 | 33,15,94 | 18,27,74 | | |

## Current and Time Deposits of Scheduled Banks in India and Burma

(In Lakhs of Rupees)

| Month. | | Current Deposits. 1937 | Current Deposits. 1938 | Time Deposits. 1937 | Time Deposits. 1938 | Total. 1937 | Percentage of Cash to liabilities. 1937 |
|---|---|---|---|---|---|---|---|
| January | ... | 132,80 | 130,19 | 102,60 | 110,00 | 235,60 | 9,81 |
| February | ... | 131,30 | 129,03 | 103,40 | 110,13 | 235,60 | 10,93 |
| March | ... | 133,20 | 128,58 | 104,70 | 108,27 | 238,90 | 12,02 |
| April | ... | 135,54 | 128,04 | 105,63 | 110,09 | 238,10 | ... |
| May | ... | 134,51 | 127,28 | 107,38 | 110,43 | 237,70 | ... |
| June | ... | 133,19 | 127,14 | 106,05 | 107,70 | 234,80 | ... |
| July | ... | 133,64 | 129,71 | 108,42 | 107,11 | 236,80 | ... |
| August | ... | 134,00 | 129,27 | 110,27 | 106,97 | 236,20 | ... |
| September | ... | 132,95 | 131,16 | 110,18 | 101,21 | 232,40 | ... |
| October | ... | 134,28 | ... | 109,45 | ... | ... | .. |
| November | ... | 135,66 | ... | 108,98 | ... | ... | ... |
| December | ... | 131,53 | ... | 110,96 | ... | ... | ... |
| | | | | | | | ... |

## Madras Clearing House Returns

(In Lakhs of Rupees)

| Year. | Amount. | Year. | Amount. |
|---|---|---|---|
| 1918—19 | 25,48 | 1928—29 | 65,78 |
| 1919—20 | 33,95 | 1929—30 | 82,19 |
| 1920—21 | 75,79 | 1930—31 | 50,36 |
| 1921—22 | 39,54 | 1931—32 | 48,97 |
| 1922—23 | 45,13 | 1932—33 | 48,85 |
| 1923—24 | 55,41 | 1933—34 | 53,19 |
| 1924—25 | 55,96 | 1934—35 | 56,22 |
| 1925—26 | 56,80 | 1935—36 | 69,28 |
| 1926—27 | 54,53 | 1936—37 | 91,39 |
| 1927—28 | 59,79 | | |

| | | |
|---|---|---|
| April '37 | ... | 12,66 |
| May | ... | 7,64 |
| June | ... | 7,28 |
| July | ... | 10,28 |
| Aug. | ... | 2,88 |
| Sep. | ... | 10,27 |
| Oct. | ... | 9,24 |
| Nov. | ... | 7,65 |
| Dec. | ... | 9,25 |

| | | | |
|---|---|---|---|
| January | 1938 | ... | 8,67 |
| February | ,, | ... | 8,88 |
| March | ,, | ... | 9,50 |
| April | ,, | ... | 9,32 |
| May | ,, | ... | 8,72 |
| June | ,, | ... | 7,77 |
| July | ,, | ... | 9,10 |
| August | ,, | ... | 7,04 |
| September | ,, | ... | 9,46 |
| October | ,, | ... | 6,98 |
| November | ,, | ... | 6,81 |

## 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 | 4,667 |
| April | ... | 3,570 | 5,480 | 18 |
| May | ... | 1,000 | 95 | Nil |
| June | ... | 2,225 | 985 | Nil |
| July | ... | 2,555 | 425 | 415 |
| August | ... | 1,430 | 753 | 255 |
| September | ... | 3,565 | 80 | ... |
| October | ... | 5.000 | 3,085 | ... |
| November | ... | 4,000 | 650 | ... |
| December | ... | 8,314 | 570 | ... |
| Total | ... | 42,699 | 38,946 | ... |

| | | | | | | |
|---|---|---|---|---|---|---|
| Total | Purchase | of | sterling | in 1933 | ... | 27,900 |
| ,, | ,, | ,, | ,, | 1934 | ... | 47,459 |
| ,, | ,, | ,, | ,, | 1935 | ... | 28,961 |
| ,, | ,, | ,, | ,, | 1936 | ... | 42,699 |
| ,, | ,, | ,, | ,, | 1937 | ... | 38.946 |

# FOREIGN AND COASTING TRADE

## MADRAS PROVINCE

*Merchandise Imports from and Exports to Foreign Countries*

| | | Imports 1937 | Imports 1938 | Exports 1937 | Exports 1938 |
|---|---|---|---|---|---|
| January | ... | 143,11,157 | 222,01,632 | 315,48,992 | 286,80,051 |
| February | .. | 110,87 550 | 220,34,055 | 372,91,609 | 310,51,101 |
| March | .. | 143,76,715 | 296,46,619 | 480,04,037 | 438,55,666 |
| April | .. | 235,27,846 | 206,77,387 | 351,61,208 | 284,46,598 |
| May | . | 255.10.528 | 236,92,211 | 336,50,600 | 307,15,005 |
| June | .. | 235,19,653 | 213,55,047 | 348,16,106 | 302,45,497 |
| July | ... | 282,82,961 | 185,31,779 | 373,45,513 | 313,55,212 |
| August | ... | 229,18,142 | 183,74,370 | 289,72,685 | 277,65,899 |
| September | ... | 312,77,968 | 148,77,946 | 310,33,428 | 301,38,438 |
| October | ... | 191,48,802, | 178,90,375 | 276,34,179 | 269,74,001 |
| November | .. | 224,76,438... | 215,30,001 | 256,54,502 | 276,64,308 |
| December | .. | 181,99,513 | ... | 253,45,214 | ... |

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

| | | Imports 1937 | Imports 1938 | Exports 1937 | Exports 1938 |
|---|---|---|---|---|---|
| January | ... | 98,70,132 | 107,64,550 | 69,01,705 | 68,95,131 |
| February | ... | 79,42,578 | 86,94,662 | 58,08,630 | 57,88,494 |
| March | .. | 82,10,848 | 110,42,485 | 72,90,844 | 87,11,040 |
| April | ... | 80,61,102 | 78,18,095 | 91,15,166 | 59,60,520 |
| May | . | 72,71,028 | 79,71,660 | 82,29,569 | 56,38,693 |
| June | .. | 132,69,348 | 59,45,217 | 59,98,376 | 61,59,579 |
| July | ... | 104,41,462 | 73,50,189 | 46,18,492 | 52,48,107 |
| August | ... | 93,15,567 | 64,70,097 | 70,46,372 | 33,27,696 |
| September | ... | 72,58,936 | 58,02,074, | 47,07,120 | 59,10,506 |
| October | ... | 61,40,536 | ... | 63,82,223 | ... |
| November | .. | 81,29,636 | ... | 55,43,058 | ... |
| December | . | 79,75,652 | ... | 56,87,737 | ... |



## RAIL BORNE TRADE OF MADRAS PROVINCE—*(In tons)*

*CHIEF SOURCES † CHIEF DESTINATION

| | | CEMENT Import 1937 | Import 1938 | Export 1937 | Export 1938 | COFFEE. Import 1937 | Import 1938 | Export 1937 | Export 1938 | COTTON YARN Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| January | ... | 5207.0 | 2712.2 | 1790.9 | 1898.8 | 79.6 | 71.6 | 65.8 | 34.1 | 657.4 | 1072.9 | 943.2 | 1041.6 |
| February | ... | 3552.7 | 2842.1 | 1300.9 | 2012.7 | 113.0 | 41.0 | 70.2 | 35.7 | 659.0 | 813.7 | 922.1 | 848.2 |
| March | ... | 5935.0 | 3109.2 | 1065.9 | 2154.2 | 138 8 | 92.7 | 24.8 | 29.2 | 625.2 | 993.0 | 1023.8 | 760.2 |
| April | ... | 4577.6 | 6186.8 | 947.6 | 2431.1 | 160.2 | 109.9 | 157.4 | 22.8 | 742.2 | 851.7 | 755.5 | 797.7 |
| May | ... | 4629.3 | 3556.5 | 809.7 | 3099.2 | 74.5 | 78.1 | 34.6 | 35.2 | 659.4 | 919.9 | 653.7 | 941.3 |
| June | ... | 4484 1 | 2858.4 | 1825.5 | 2346.1 | 101.6 | 51.0 | 33.4 | 21.1 | 583.8 | 979.4 | 850.2 | 734 9 |
| July | ... | 3314.9 | 2773.1 | 1855.8 | 2020.5 | 82.1 | 55.8 | 30.6 | 27.5 | 603.9 | 968.3 | 1268.0 | 1067.2 |
| August | ... | 3525.1 | 3717.0 | 1836.4 | 2168.5 | 72.2 | 69.8 | 25.8 | 32.7 | 851.4 | 915.7 | 1248.3 | 1054.9 |
| September | ... | 3054.8 | ... | 1938.0 | ... | 88.7 | ... | 33.4 | ... | 828.7 | ... | 1293.5 | ... |
| October | ... | 1932.3 | ... | 1957.2 | ... | 39.0 | ... | 24.5 | ... | 775.9 | ... | 709.8 | ... |
| November | ... | 2413.1 | ... | 1908.1 | ... | 57.1 | ... | 25.5 | ... | 780.8 | ... | 708.3 | ... |
| December | ... | 2621.6 | ... | 1965.9 | ... | 45.1 | ... | 42.0 | ... | 904.7 | ... | 999.7 | ... |
| | ... | 45247.5 | ... | 19201.9 | ... | 1051.9 | ... | 568.0 | ... | 8672.4 | ... | 11376.1 | ... |

Cement: *Nizam's Dominions, Central Provinces. † Mysore.
Coffee: * Mysore. † Mysore.
Cotton Yarn: * Bombay and Mysore. † Calcutta Bombay, and Mysore.

| | | COTTON PIECE-GOODS. Import 1937 | Import 1938 | Export 1937 | Export 1938 | PADDY. Import 1937 | Import 1938 | Export 1937 | Export 1938 | RICE. Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| January | ... | 1489.5 | 1100.6 | 634.5 | 647.5 | 1931.2 | 1915.6 | 280.0 | 136.5 | 5267.2 | 10613.4 | 13881.2 | 13976.7 |
| February | ... | 1371.8 | 1125.1 | 576.8 | 619.5 | 5730.7 | 4932.9 | 97.9 | 130.1 | 6112.0 | 129 8.1 | 13341.3 | 11603.7 |
| March | ... | 1239.8 | 1204.4 | 922,9 | 730.9 | 6154.3 | 6698.4 | 97,2 | 112.6 | 5852.2 | 10789 9 | 14486.2 | 12944.1 |
| April | ... | 1418.4 | 1203.9 | 670.2 | 621.5 | 4911.5 | 3781.5 | 110.5 | 132.6 | 6820.8 | 10895 5 | 11567.6 | 10010.7 |
| May | ... | 1495.6 | 1188.6 | 648.8 | 573.9 | 4924.7 | 5691.8 | 127.8 | 100.0 | 3535.3 | 8005.2 | 7248.1 | 13095.5 |
| June | ... | 1298.7 | 1431.6 | 681.2 | 538.6 | 2988.1 | 3931.7 | 70.5 | 102.8 | 4366.0 | 6691.9 | 10091.7 | 16288.9 |
| July | ... | 1577.5 | 1206.7 | 535.4 | 493.2 | 1742.1 | 1802.8 | 68.1 | 91.4 | 5688.0 | 5966.7 | 9160 5 | 13309.9 |
| August | ... | 1536.6 | 1694.9 | 605.8 | 578.3 | 2010.3 | 891.8 | 43.1 | 1992.6 | 5797.4 | 6781.2 | 9043.4 | 11222.4 |
| September | ... | 1794.2 | ... | 651.5 | ... | 3297.4 | ... | 42.9 | ... | 7243.9 | ... | 11927.7 | ... |
| October | ... | 1682.4 | ... | 814.6 | ... | 3761.0 | ... | 54.4 | ... | 14366.9 | ... | 8165.2 | ... |
| November | ... | 1810.7 | ... | 648.8 | ... | 2688.3 | ... | 64.9 | ... | 13400.4 | ... | 12172.3 | ... |
| December | ... | 1951.4 | ... | 707.7 | ... | 1514.6 | ... | 200.7 | ... | 14605.4 | ... | 12907.2 | ... |
| | ... | 18666.6 | ... | 7998.2 | ... | 41654.2 | ... | 1258.0 | ... | 93055.5 | ... | 133992.4 | ... |

Cotton Piece-Goods: * Bombay and Mysore. † Calcutta, Bombay, and Mysore.
Paddy: *Orissa and Cen'ral Provinces. † Bombay.
Rice: * Orissa, Central Provinces, Bengal Bihar and Punjab. † Mysore, Nizam's Dominions, Bombay.

| | | RAW HIDES. Import 1937 | Import 1938 | Export 1937 | Export 1938 | RAW SKINS. Import 1937 | Import 1938 | Export 1937 | Export 1938 | LEATHER. Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| January | ... | 1840.8 | 1277.9 | 106.5 | 76.9 | 893.6 | 752.2 | 66.9 | 46.2 | 256.2 | 353.9 | 79.8 | 83 2 |
| February | ... | 1675.6 | 689.2 | 60.8 | 73.8 | 781.1 | 728.9 | 57.9 | 48.6 | 199 4 | 278 4 | 58.7 | 65.3 |
| March | ... | 1843.9 | 1286.5 | 63.6 | 68.2 | 931.5 | 768.5 | 82.2 | 45.3 | 236.0 | 334.[illegible] | 62.6 | 66.9 |
| April | ... | 1012.3 | 728.2 | 95.6 | 35.7 | 989.9 | 587 9 | 82 3 | 27.6 | 243.3 | 368.0 | 45.5 | 95.3 |
| May | ... | 2823.2 | 843.4 | 56.6 | 24.7 | 834.7 | 843.4 | 65.6 | 24.7 | 262.6 | 402.0 | 58.3 | 57.9 |
| June | ... | 779.2 | 685.8 | 52.4 | 47.6 | 826.1 | 615 1 | 45.4 | 33.1 | 196 4 | 367.9 | 60 3 | 72.2 |
| July | ... | 1502.4 | 760.8 | 56.7 | 54.9 | 1024.2 | 542.5 | 58.8 | 52.6 | 312.8 | 328.7 | 68.0 | 60.5 |
| August | ... | 1546.8 | 1313.6 | 76.8 | 68.2 | 980.1 | 656.9. | 43 6 | 39.8 | 214.9 | 447.1 | 90 3 | 63.4 |
| September | ... | 1050.3 | ... | 90 9 | ... | 918.8 | ... | 35.4 | ... | 199.7 | ... | 80 9 | ... |
| October | ... | 1036.5 | .. | 86.4 | ... | 834.9 | ... | 51 9 | ... | 293.5 | ... | 94 9 | ... |
| November | ... | 406.8 | ... | 45.9 | ... | 616.1 | ... | 34 8 | ... | 215.9 | ... | 94.6 | ... |
| December | ... | 849.8 | ... | 97.0 | ... | 671.8 | ... | 45.6 | ... | 245.7 | ... | 83.8 | ... |
| | | 1636.6 | ... | 889 2 | ... | 10302.8 | ... | 670.4 | ... | 2876.4 | ... | 877.7 | .. |

Raw Hides: * Bengal, Orissa Central Provinces. † Mysore.
Raw Skins: * Mysore, Central Provinces. Bombay, Nizam's Dominions. † Mysore.
Leather: * Mysore, Nizam's Dominions. † Bengal, Bombay and Mysore.

### IRON AND STEEL GOODS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 7101.2 | 7165.8 | 2497.6 | 1876.9 |
| February | 6720.7 | 6559.4 | 3992.7 | 1990.5 |
| March | 8839.8 | 9745.1 | 2380.2 | 2132.2 |
| April | 7795.2 | 10088.1 | 2386.0 | 2575.4 |
| May | 6640.9 | 10521.3 | 2329.6 | 1681.9 |
| June | 7594.8 | 7743.8 | 1712.0 | 1066.4 |
| July | 8138.7 | 8270.0 | 2348.9 | 2086.5 |
| August | 4983.2 | 10064.7 | 1807.9 | 1257.5 |
| September | 5065.9 | ... | 1752.0 | ... |
| October | 6424.8 | ... | 1562.0 | .. |
| November | 5221.1 | ... | 1917.9 | ... |
| December | 5747.6 | ... | 1452.0 | ... |
| | 80273.9 | | 26138.8 | ... |

* Behar, Bengal, Mysore, Bombay. † Mysore. Bombay. Nizam's Dominions.

### OIL CAKES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 2069.4 | 4517.1 | 231.1 | 74 4 |
| February | 2402.6 | 3051.7 | 118.0 | 52.4 |
| March | 1242.8 | 4082 7 | 95.0 | 107.2 |
| April | 1963.8 | 5007.6 | 93.2 | 205.6 |
| May | 1970.9 | 3586.6 | 123.3 | 1681.9 |
| June | 1530.7 | 4988.9 | 61.5 | 113.3 |
| July | 2226.1 | 4752.5 | 193 6 | 31.6 |
| August | 2427.8 | 2860.1 | 58.9 | 45.8 |
| September | 1459.0 | ... | 37.7 | ... |
| October | 2806.2 | ... | 25.7 | ... |
| November | 2310.1 | ... | 14.8 | ... |
| December | 4203.4 | ... | 17.9 | ... |
| | 26112 8 | .. | 1070 6 | ... |

* Nizam's Dominions, Mysore, Bombay, Central Provinces, Orissa. † Mysore and Bombay.

### VEGETABLE OILS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 851.6 | 514.5 | 1117.8 | 2609.2 |
| February | 846.3 | 422.9 | 1405.4 | 2158.9 |
| March | 791.6 | 491.7 | 878.3 | 2542.6 |
| April | 1010.3 | 430 6 | 1674.8 | 1864.6 |
| May | 635.3 | 476.2 | 1518.2 | 1893.4 |
| June | 635.3 | 560.6 | 1311.4 | 1826.5 |
| July | 378.3 | 551.2 | 1285.4 | 1785.9 |
| August | 411.8 | 471.3 | 1318.4 | 1284.7 |
| September | 408.5 | . | 1127.2 | ... |
| October | 468.7 | ... | 1345.6 | ... |
| November | 621.8 | ... | 1694 6 | ... |
| December | 522.8 | ... | 2216.2 | ... |
| | 7577.3 | ... | 16888.8 | ... |

* Nizam's Dominions, Mysore, Bombay. † Bengal, Mysore, Orissa, Bombay, Behar.

### CASTOR SEED (In Tons)

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1958.5 | 546.3 | 45.0 | 22.8 |
| February | 2465.3 | 1127.7 | 85.2 | 37.6 |
| March | 5023.3 | 732.1 | 154.1 | ... |
| April | 4054.6 | 1031.6 | 100.1 | 14.4 |
| May | 2142.9 | 383.6 | 39.4 | 1.8 |
| June | 741.9 | 368.5 | 16.1 | 6.4 |
| July | 1099.3 | 202.9 | ... | 40.9 |
| August | 771.2 | 223.6 | ... | 14.4 |
| September | 2141.7 | ... | 153.9 | ... |
| October | 1174.9 | ... | 82.2 | ... |
| November | 260.8 | ... | 106.6 | .. |
| December | 205.2 | ... | 14.4 | ... |
| | 22039.6 | ... | 697.0 | ... |

* Nizam's Dominions, Orissa. † Mysore.

### COTTON SEED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1304.3 | 2552.9 | 36 8 | 3.1 |
| February | 744.5 | 1512.9 | 24.2 | 1.8 |
| March | 1498.8 | 2454.7 | 4.2 | 8 5 |
| April | 2711.4 | 3169.4 | 12.0 | 1.7 |
| May | 2586.4 | 2761.8 | 6.6 | 36.9 |
| June | 1807.4 | 2747.3 | 3.3 | 7 9 |
| July | 1878.8 | 2429.7 | 5.5 | 10.8 |
| August | 2158.0 | 1368.6 | 6.1 | 2 5 |
| September | 1495 6 | .. | 1.4 | ... |
| October | 552.1 | ... | 1.0 | ... |
| November | 1845.3 | .. | .5 | ... |
| December | 2673.1 | ... | 16.4 | ... |
| | 21255.7 | ... | 118.0 | ... |

* Bombay, Nizam's Dominions. † Nizam's Dominions,

### GROUNDNUT.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 11012.9 | 10067.6 | 15062.8 | 6418.4 |
| February | 1406.3 | 4266.0 | 3514.8 | 4286.3 |
| March | 1281.0 | 7251.4 | 2009.7 | 6280.3 |
| April | 806.2 | 3058.0 | 1609.2 | 2207.4 |
| May | 181.9 | 2638.9 | 507.7 | 2659.2 |
| June | 355.0 | 4472.8 | 726.1 | 2610.7 |
| July | 39.5 | 6322.1 | 878.8 | 2918.6 |
| August | 578.7 | 3336.1 | 1242.3 | 1476.4 |
| September | 52.2 | ... | 874.3 | ... |
| October | 103.2 | ... | 1058.9 | ... |
| November | 4900.4 | . | 815.7 | ... |
| December | 15435.7 | ... | 2896.8 | ... |
| | 36103.0 | ... | 32197.1 | ... |

* Nizam's Dominions, Mysore. † Bombay, Bengal.

### RAPE AND MUSTARD.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 398.4 | 437.7 | 6.6 | 50.7 |
| February | 497.4 | 340.9 | 10.6 | 70.6 |
| March | 279.1 | 466.9 | 142.7 | 71.9 |
| April | 158.9 | 209.7 | 196 4 | 28.7 |
| May | 232.9 | 94.9 | 203.5 | 22.2 |
| June | 40.2 | 71.5 | 240.3 | 6.9 |
| July | 8.6 | 14.6 | 178.1 | 82.9 |
| August | 68.5 | 16.6 | 75 8 | 19 4 |
| September | 58 5 | ... | 51.9 | .. |
| October | 44.7 | ... | 6.9 | .. |
| November | 32.5 | ... | 35.2 | ... |
| December | 27.4 | .. | 27.8 | ... |
| | 1847.1 | ... | 1230 8 | .. |

* Orissa and Bengal.

### GINGELLY SEED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 2618 5 | 2142.8 | 3.7 | 24 8 |
| February | 3686.5 | 3061.0 | 8.9 | 3.4 |
| March | 946.5 | 2098.1 | 38.8 | 20.7 |
| April | 377.1 | 618.7 | 35.8 | 9.9 |
| May | 961.2 | 971.5 | 72.6 | 6.5 |
| June | 369.6 | 559.3 | 6.4 | 22.9 |
| July | 225.3 | 462.6 | 14.5 | 6.8 |
| August | 741.8 | 888.4 | 2.2 | 4.5 |
| September | 2040.6 | ... | 22.8 | ... |
| October | 2784.1 | ... | .8 | ... |
| November | 1660.2 | ... | .1 | ... |
| December | 3333.3 | ... | 14.9 | ... |
| | 19744.7 | ... | 221.5 | ... |

* Nizam's Dominions, Orissa, Central Provinces. † Mysore and Orissa.

### SALT.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1825.0 | 1107.9 | 5376.8 | 3816.3 |
| February | 1179.9 | 771.1 | 4641.1 | 2144.9 |
| March | 2029.2 | 2648.7 | 3270.0 | 2884.5 |
| April | 3658.9 | 2188.6 | 5187.8 | 4689.4 |
| May | 3567.3 | 1724.9 | 4967.4 | 5217.6 |
| June | 316.1 | 29.5 | 4477,4 | 3790.8 |
| July | 7.5 | 6.8 | 2843.6 | 2956.5 |
| August | 7 | 4.8 | 2416.5 | 2582.6 |
| September | 1.4 | ... | 2658.9 | . |
| October | 15.4 | .. | 3412.4 | . |
| November | 176.6 | ... | 4877.6 | . |
| December | 606.0 | ... | 3547.9 | ... |
| | 12884.0 | .. | 47622.4 | |

* Bombay. † Orissa, Central Provinces, Nizam's Dominions, Mysore.



### SUGAR—REFINED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 11465.2 | 5839.9 | 599.3 | 809.8 |
| February | 10814.7 | 5309.3 | 250.0 | 1573 5 |
| March | 7798.2 | 8682.9 | 546 9 | 1247.5 |
| April | 7011.3 | 8918.8 | 749.7 | 647.8 |
| May | 6349.9 | 6282.8 | 722 6 | 762.5 |
| June | 3379.2 | 9458 9 | 787 4 | 1172.4 |
| July | 3965.6 | 5541 0 | 795.8 | 870.1 |
| August | 4356.3 | 3154 5 | 651.8 | 11991 |
| September | 4984.4 | ... | 479.9 | ... |
| October | 7738.3 | ... | 773.0 | ... |
| November | 5686.9 | ... | 1070.3 | ... |
| December | 4285.4 | ... | 755 6 | .. |
| | 77835.4 | ... | 8182.3 | ... |

* United Provinces. Behar. Mysore. † Bombay, Nizam's Dominions. Mysore, Orissa.

### JAGGERY AND MOLASSES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 378.9 | 151.5 | 1104.7 | 2760.4 |
| February | 700.8 | 491.9 | 2571.9 | 4161.5 |
| March | 847.9 | 806.2 | 3223.6 | 3886.1 |
| April | 1014.3 | 153.8 | 3226.6 | 2244.8 |
| May | 1097.3 | 134.9 | 1956 4 | 1791.6 |
| June | 367.8 | 203 0 | 1056 6 | 994 5 |
| July | 469 7 | 71.3 | 1357.2 | 1864.9 |
| August | 256.7 | 101.4 | 987.5 | 1256.7 |
| September | 301.2 | ... | 1042.1 | .. |
| October | 241.8 | ... | 1031.6 | ... |
| November | 102.0 | ... | 1412.9 | ... |
| December | 92.6 | ... | 1393.6 | . |
| | 5871'0 | ... | 20364.7 | ... |

* United Provinces. Mysore, Punjab. † Bombay, Nizam's Dominions. Mysore ⅓ Central Provinces.

### TEA.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 55.9 | 86.8 | 303.9 | 320·8 |
| February | 64.7 | 75.4 | 263.4 | 314·3 |
| March | 60.9 | 104.9 | 311.7 | 353·3 |
| April | 93.6 | 83.8 | 317.6 | 252·9 |
| May | 89.9 | 135.4 | 330.9 | 355·3 |
| June | 63.7 | 104.3 | 333.6 | 355 5 |
| July | 50.3 | 74.2 | 340.3 | 334 0 |
| August | 71.9 | 125.7 | 699.3 | 334.2 |
| September | 88.1 | ... | 347.1 | ... |
| October | 54.2 | | 409.6 | ... |
| November | 92.5 | ... | 338.1 | ... |
| December | 105.5 | ... | 332.1 | ... |
| | 891.2 | ... | 4327.6 | ... |

* Calcutta. † Bombay, Mysore.

### RAW TOBACCO.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 104.1 | 148.7 | 1018.4 | 2191.7 |
| February | 287.3 | 428.8 | 1014.4 | 1389.9 |
| March | 425 8 | 651.8 | 1413.1 | 1946.4 |
| April | 396.4 | 427.4 | 1175.5 | 1545 9 |
| May | 419.9 | 310.5 | 1579.1 | 1308.0 |
| June | 170.8 | 188.7 | 1143.4 | 1181.9 |
| July | 151.5 | 270.3 | 1093 6 | 10 2.9 |
| August | 139.8 | 261.3 | 886.7 | 1106.7 |
| September | 143.6 | ... | 774.1 | ... |
| October | 139.6 | | 1588.1 | ... |
| November | 173.3 | ... | 1412.5 | ... |
| December | 87.7 | ... | 2413.5 | ... |
| | 2639.8 | .. | 15512.4 | ... |

* Mysore. † Mysore, Bombay. Calcutta, Orissa. Behar.

### WOOD AND TIMBER.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 5747.8 | 5153.7 | 1075.8 | 644.5 |
| February | 9462.4 | 5734.8 | 777.1 | 970.1 |
| March | 7738.4 | 6371.2 | 1489.1 | 1063.9 |
| April | 5717.4 | 6582.8 | 916.1 | 1225.2 |
| May | 7343 5 | 4698.2 | 1157.7 | 710.5 |
| June | 7882.0 | 4212., | 1164.4 | 1115.9 |
| July | 5363.3 | 2875 8 | 1354.5 | 1085.3 |
| August | 2970.5 | 1984.2 | 1327.7 | 984.4 |
| September | 1958.5 | ... | 1190.7 | ... |
| October | 1584.7 | | 1377.4 | ... |
| November | 2286 4 | ... | 823.8 | ... |
| December | 3627.3 | ... | 7[illegible]0.9 | ... |
| | 61582.2 | ... | 13365.2 | ... |

* Orissa. Nizam's Dominions. Central Provinces. Mysore, Bombay. † Mysore.

### RAW WOOL.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 93.1 | 16.2 | 145 0 | 26.1 |
| February | 117.4 | 47.8 | 132.8 | 47.4 |
| March | 69.4 | 23.6 | 168.7 | 26.4 |
| April | 80.8 | 9 4 | 59.0 | 48.2 |
| May | 56.8 | 3.9 | 69.1 | 47.9 |
| June | 45.9 | 12.4 | 18.6 | 35.4 |
| July | 16.3 | 18.3 | 64.4 | 61.4 |
| August | 55.1 | 36.5 | 48.5 | 54.6 |
| September | 38.9 | ... | 126 3 | |
| October | 58 5 | . | 71.7 | ... |
| November | 21.0 | . | 54.8 | |
| December | 1.6 | ... | 87.7 | |
| | 654.8 | ... | 1046 6 | |

* Bombay. † Bombay.

*(Continued from page 62)*

sale. Such objections are not insuperable, as it is possible for the payment of the duty to be postponed by a period of 3 months, so that in the interval it would be possible to arrive at a correct statement of the quantity of oil sold by reference to the agencies and distributing offices. This Chamber would recommend that if the proposed duty is to be levied at all it should be levied at the above mentioned stage, so that numberless businessmen would be spared a great deal of worry and expense, with the added advantage of some material benefit to the Government by way of inexpensive collection of tax and complete avoidance of all possibilities of evasion."

**Madras Port Trust: February 1939.**

Resolved, with reference to letter No. 1-P (9)/38, dated the 9th January 1939, from the Government of India, Department of Communications that a notice be put up on the Trust's notice boards to the effect that copies of the minutes of the Board's proceedings are published in the Fort St. George Gazette, and that copies of that part of the Gazette in which the minutes of the proceedings of the Board's meetings are published can be obtained on payment from the Superintendent, Government Press.

# News and Notes

**EFFECT OF PAYMENT BY CHEQUE.**

*Clay Hill Brick and Tiles Co., Ltd., V. Rawlings.*

In British Law Reports Supplement of 19th November last the question of the effect of payment by cheque has been fully covered. It was decided that payment by negotiable instrument when it is duly honoured is equivalent to payment in legal tender on the date when the instrument was given. If a cheque is given and honoured the payment by cheque is tantamount to a payment by legal tender on the day when the cheque is given though the payment is subject to the condition subsequent that the cheque must be met on presentation; the date of payment, if the cheque is duly met is the date when the cheque was posted. If the cheque is accepted by the creditor the debt is certainly discharged and no action can be brought for the debt so long as the cheque is outstanding but the discharge is only conditional on the cheque being honoured. If the cheque is dishonoured the original debt revives at once and action may be brought either for the original debt or on the cheque, but if the cheque is honoured the discharge relates back to the date of payment.

As regards the authority of an agent to receive payment on behalf of the company the judgment says that when the Articles confer power on some one to do an act on behalf of the company but only if certain formalities take place or if certain conditions are satisfied a person dealing with the company may assume that all formalities and conditions have been completed and that the power has become exercisable. If the Articles have not conferred power directly on a certain officer to do a certain act but make it possible for him to do that act by delegation the assumption that there has been a proper delegation is not to be made, unless the officer in question is one who would normally have an authority of that kind according to ordinary commercial practice. The Managing Director will not generally receive money but he will generally have a right to receive it. Secondly the acceptance of cheque though drawn in the personal name of the Managing Director was good payment to the company.

**Power Alchohol from Molasses.**

The Mysore Legislative Council has now passed into law the Power Alchohol Bill which provides for the mixture of alchohol with petrol to be used as a sort of fuel with a view to encourage local fuel materials in the State and minimise dependence on imported petrol.

**Synthetic Rubber.**

The first factory called the 'Bunna' which will produce synthetic rubber will shortly be opened at Schopan near Halle in Germany. The plant is almost completed and it will soon be possible to produce a considerable part of Germany's consumption of rubber; various sizes of types are already procurable. There are proposals for opening other plants in Germany.

**Mysore Insurance Bill.**

If the Mysore Insurance Bill is passed into law many of the British Indian Life Offices now operating in Mysore will be obliged to wind up their business within its territory for the provisions relating to deposits, investment, preparation and submission of accounts and valuation statements etc., are so restrictive in their effect that most of the British Indian Offices will find it hardly worthwhile to stay on under so many practical difficulties. The British Indian companies have to be separately registered on a fee of Rs. 100 and the detailed requirements of registration are so elaborate that it is hardly worth the trouble involved. While Section 13 of the Indian Act requires all insurers to submit Actuarial Report and abstract in respect of life business transacted in India Section 13 of the Mysore Bill provides for similar report to be submitted in respect of Mysore business only. Almost similar provisions apply to the submission of schedules, balance sheets and audit reports. An abstract of the valuation report in respect of all life insurance business transacted by the insurer in Mysore is to be filed which is likely to lay open certain important facts regarding localised operation of life offices to unwelcome exposure. In respect of claims and jurisdiction Section 46 provides that only laws of Mysore will apply to Mysore business. Sections 63 and 64 make the astounding provision for the maintenance of an office, a representative with power of attorney and books of accounts and registers sufficient to enable the Superintendent of Mysore Insurance to check.

**Mysore State Insurance—Govt's. Scheme for Public and Officials.**

Mysore was the pioneer Indian State to introduce in 1890 a system of compulsory insurance for the benefit of officers in the service of the State. The object of the scheme is to supplement the insured's income on his retirement and to provide a competence for his family in case of his early death.



**Trade Commissioner's Reports.**

The report of the Indian Government Trade Commissioner, Milan, for November 1938 regadring India's trade with Italy will be of interest. Imports from India (including Burma) into Italy during the month of November were higher in value than those of the previous month by 1.2 million lire, while the value of exports to India showed a considerable fall from 21.1 million lire in October to 9.3 million lire in November. The balance of trade was favourable to India and amounted to 6.8 million lire in November as against an adverse balance of 6.2 million lire in October. Imports of oilseeds into Italy from all sources during November showed a decline in value of 54.7 million lire as compared with the corresponding month of 1937. The quantity of raw jute imported from India into Italy during November was 3,500 metric tons as against 2,380 metric tons in October. Imports of raw cotton from India into Italy during November amounted to 903 metric tons, as against 1,558 metric tons in October.

The Indian Government Trade Commissioner, Hamburg, in his report on trade between India and France for the twelve months ending December 1938 says: In terms of value India's trade with France shows a certain small improvement. French imports from India have increased from Frs. 1,162 million to 1,275 million, an increase of Frs. 113 million. Her exports to India on the other hand have increased only to the extent of Frs. 59 million. The balance of trade, thus, has improved from Frs. 1043 million in 1937 to Frs. 1097 million in 1938. The improvement, however, is more apparent than a real one, for it should be borne in mind that the franc depreciated during the latter half of 1938 and it is largely as a result of this depreciation that there appears to be an improvement in the Franco-Indian trade. Quantitatively there is a decrease in the imports of every single commodity of importance, with the exception of oilseeds and tea. These two latter commodities showed a substantial improvement which, however, is offset to some extent by the decline in prices.

The Indian Government Trade Commissioner, Hamburg, in his report on the trade conditions between India and Germany for the period Jan.-Dec. 1938 writes: Germany's trade with India during 1938, has resulted in a balance of trade favourable to India to the extent of over Rms. 35 million which represents an increase of over Rms. 14 million as compared to the balance of trade in favour of India for 1937. The imports of cotton have declined by very nearly 40,000 bales and in terms of value by almost 50 per cent. The imports of jute and coir yarn have steadily improved in volume. Thus Germany has been able to import a greater quantity at a reduced cost. Germany's imports of groundnuts in 1938 have gone up strikingly, though the improvement in terms of value is very slight, due to the decline in prices. Germany's import of linseed show only a comparatively slight decline as compared to the previous year. The imports of the various kinds of hides and skins show on the whole a decline as compared to 1937 in terms of value, though except in the case of cowhides, a striking increase has occurred in the volume imported. The imports of pig-iron showed a very considerable improvement from 20,000 ozs. to 350,000 ozs. The imports of Mica have improved very considerably both in terms of volume and of value. The imports of wheat and tea showed a substantial improvement.

**Temporary Import Regulations in Italy.**

H. M. Ambassador at Rome reports that as from 1st January an import licence is now required for the following goods (among others) when temporarily imported into Italy for subsequent re-export:

Coconut oil, for the manufacture of soap.

**Import of Cotton waste "Linters" into Italy.**

The "Gazette Officiale" Rome of 31st December 1938 contains a Decree dated 22nd December which provides that the yearly quota of 12,000 quintals of raw cotton "linters" for use, after sterilisation, in the production of rayon, has been increased to 18,000 quintals as from 22nd December.

**Indian Light House Act: Light Dues.**

In exercise of the powers conferred by Sub-section (1) of Section 10 of the Indian Lighthouse Act the Central Government is pleased to prescribe that light dues shall be payable at the rate specified below, namely:—

a. All ships, other than sailing ships, arriving at, or departing from, any port in British India 1 a. per ton
b. Sailing ships ... ... 6 p. per ton.

**Health Certificate for shipment of cattle and animal products to Poland.**

The Director-General of Commercial Intelligence and Statistics has drawn the attention of the Chamber to the prevalence of a health certificate in a prescribed form issued by the Veterinary Department for exportation of cattle and animal products from India to Poland and that arrangements for the issue of such certificates exist in the Provinces of Bengal and Sind. The Director-General desires to know whether there is any demand from exporters of the above articles for the issue of such certificates in this Province. Members interested are requested to communicate with the Secretary of the Chamber.

compelled to work on a commission basis for spinning mills affiliated with the Cotton Spinners' Association. The establishment of an export company is also suggested.

The Commerce authorities are reluctant to effect such a drastic change as the working of the linking system on the value basis instead of the quantity basis. They think that the adoption of different ratios for grey cloths and finished goods in connection with raw cotton imports will remedy the situation to a great extent.

However, as the Finance Department insists on an arrangement whereby the raw cotton imported in excess in consideration of the export of finished goods is to be used for export only, they find it rather difficult to enforce the system.

In view of the fact that many mills are causing weavers to handle cheap goods simply in order to increase their raw cotton import rights, the Commerce authorities are now inclined to think that they should instruct the Cotton Spinners' Association to buy the excess stock of raw cotton at present owned by them, to ensure proper control of manufacture. An export adjustment company will probably be established in connection with the present plan.

**Rice Import into Sweden.**

From the 15th February 1939, rice as well as products thereof intended for fodder purposes may be imported into Sweden only with the permission from the Agricultural Committee to the Government of Sweden. If the import licence is obtained an import fee of 5 Swedish ore per klg. is to be paid for rice raw and products thereof on the persumption that the goods are considered to be used as fodder.

**Rice Trade in the Madras Presidency during January 1939.**

The Provincial Marketing Officer in his report for January 1939 says: "The poor seasonal conditions of this year have affected the rice trade in Madras, and imports are being received both from Burma as well as other countries. About 10,000 tons of paddy and nearly 1,000 tons of rice have arrived from Saigon already to Madras Port. As the paddy crop in Burma is reported to be good during this season, there is a likelihood of large arrivals from both Burma, as well as Indo-China. At the end of the month, Saigon paddy was selling at Rs. 3/12 per 163 pounds and Rangoon paddy at Rs. 4/6 Saigon rice was selling at Rs. 8/12 per bag of 216 lb. as compared to Rangoon rice at Rs. 9/4 per bag of 220 lb. Proposals for the opening of two rice grading stations, one in Tanjore district and the other in Nellore, were under consideration since sometime past, and the draft rules under the Agricultural Produce (Grading and Marketing) Act, 1937, and complete specifications of the grades to be adopted were forwarded to the Central Marketing Staff some two months ago......Grading work will commence from next month, when the present crop is expected to come to the market for milling."

---

**THE INSURANCE ACT AMENDING BILL 1939**

The Insurance Act Amending Bill is now before the Assembly. There are three main changes. 1. The date for payment of deposits is fixed as three months after the formal commencement of the operation of the act. 2. It is provided that deposits made by companies in Indian States under the laws of those States might be taken into account in calculating the amount and it should be placed in Government and approved securities, and 3. It brings within the purview of the Act companies which though they have no branches in India work through agents.

---

**Suez Dues.**

A further reduction in Suez Canal dues to the basis of 5s. 9d. per Suez Canal net ton of 100 cubic feet for loaded ships came into effect on 15th December 1938.

**Tea Cess.**

Exports of Indian tea to Burma with effect from 15th January 1939 are subject to the payment of cess under the Indian Tea Cess Act as other exports. Export of rubber to Burma should be on license.

**New uses for Rubber.**

Among the new uses found for rubber is that for rubber mountings for church bells so that all damaging vibration to the structure would be eliminated. Rubber pipes for disposal of garbage and other wastes far into the sea to afford better dilution and prevent accumulations along the shore line have been found very useful and there appears to be no evidence of deterioration after years of service. Rubber is becoming popular for dog requisites such as beads, collars and even bones.

**Departmentalisation in Forest Department.**

The Forest Department Officers are apparently making up for their enforced idleness by eliminating contractors and taking up departmental collection of a variety of minor forest produce such as honey, wax, cardomons etc. It is worth investigating whether it really pays to use the department for that purpose. The administration of the Forest Department of 1937-38 shows that Government are not blind to the possibilities of economy in the various departments. As a preliminary to the abolition of one territorial circle and of the Working Plans circle which the Government have now recommended to the Secretary of State, the post of Working Plans Conservator was held in abeyance from 12th March 1938. It was also decided to close down the Madras Forest College in July 1939. Since the close of the year Government have decided to abolish 6 posts in the Madras Forest Service and have recommended to the Secretary of State the abolition of 15 posts in the Indian Forest Service. The proposed abolition of 21 posts in all includes two posts of Conservators and 3 Instructors and Principal of the Forest College. The system of departmentalisation was also tried as an experimental measure to extraction of timber in replacement of contractors with the object, it is stated, of training both the coolies and contractors in the correct methods of working. The report shows that the department continued to supply track and special-sized sleepers to the South Indian Railway, but owing to a reduction in the quota allotted in respect of special-sized sleepers the value of the sleepers sold is only Rs. 4 lakhs instead of 4.7 lakhs in 1936-37. There was an increase in the output of timber, fuel and bamboos as compared with the previous year. On the whole 78,020 tons of timber were extracted as against 69,440 tons in the previous year. There was a slight increase in the quantity of timber collected departmentally and remaining undisposed of at the end of the year. 1,248 tons of sandalwood was sold as against 897 tons in the previous year. The price realised was slightly lower being Rs. 612-3-0 per ton as against 615-8-0 during 1936-37. Grazing fees were reduced by 50 per cent in department forests with effect from 1st April 1938 and similar reduction in Panchayat forests is being investigated. It appears that Government have issued instructions to the Chief Conservator of Forests to increase the revenue from minor forest produce by undertaking departmental collection wherever necessary or possible, by the increased manufacture of lac products, by increased production of cheap fruits like tamarind, jambu or neradi and wood apples etc., by planting myrabolams and avaram and by supplying ascu treated poles for the use of the electricity department. Possibilities are being investigated of producing camphor, three ply-wood, three ply-boxes, picture frames, wooden reepers and plugs, cinnamon and for experimental plantation of wattle in the Nilgiri and Palni Hills.

**Import of Goatskins into U.S.A.**

The following figures supplied by the statistical department of the United States of America regarding import of goatskins during 1938 will be interesting in view of the fact that United States of America is the best customer of India for raw goat skins.

Total imports for the year 1938 were 29,937,531 pieces of which 28,558,993 skins were dry and 1,378,538 were wet. This represents a decline of 42.3 per cent from the year 1937 when 51,813,856 skins were imported of which 50,040,908 were dry and 1,772,948 were wet.

| | | |
|---|---|---|
| Exports from India to U.S.A.: | 1935 | 13,142 tons |
| Exports from India to U.S.A.: | 1936 | 11,267 tons |
| Exports from India to U.S.A.: | 1937 | 12,860 tons |
| Exports from India to U.S.A.: | 1938 | 10,538 tons |

India may congratulate herself also that the percentage of decline as showed by figures of general import is not fully reflected in the case of India.

**Rubber Licence Fee.**

With effect from 1st January 1939 the rate of licence fee for every export licence issued by the Indian Rubber Licencing Committee has been fixed at 4 as. per 100 lbs. rubber covered by such licence.

**Hazardous Occupations.**

The Government of Madras have invited objections upto 1st May 1939 to their proposal that in



all textile factories in which the process of bleaching and dyeing is carried on the occupier shall provide loose fitting rubber gloves of suitable length for the use of workers engaged in any of the processes specified. Such gloves shall be collected, examined and cleaned at the close of the day's work and shall be repaired or renewed when necessary.

**Export Firm Planned for Sundry Products in Japan:—**

The Osaka municipal authorities are now planning to establish the Osaka Sundry Goods Export Promotion Co., with capital invested in equal amounts by the city and sundry goods dealers. This plan has been drafted by the municipal authorities in view of the difficulty encountered by the sundry goods manufacturers, in acquiring raw materials, following the enforcement of the link system.

As a result of the shortage of raw material supply, the export of sundry goods has begun to decrease. The Osaka municipal authorities, therefore, have conferred with the leading sundry goods manufacturers and dealers, since Osaka is the largest producer as well as exporter of sundry goods in Japan.

Especially in view of the coming enforcement of the special link system, the need of establishing such an export promotion company is now keenly felt. The Osaka prefectual authorities, as well as the Osaka Chamber of Commerce, are also interested in the scheme and they will render their support, in order that the projected company may be established next spring.

Gist of Scheme:—The gist of the export promotion company plan is as follows:—

1. Organization: The Osaka Municipal office, exporters and export goods manufacturers in Osaka prefecture, and their associations will be shareholders.

2. Authorized Capital: Although the amount is not yet fixed, an investment will be made by the city to the extent of one-half of the total capital, the traders furnishing the other half.

3. Main business lines:
   (a) The company will supply raw materials for export sundry goods and it will also function as a medium in the operation of the export import link system.
   (b) The New company will take over substitutes, art manufactures, and inventions. At the same time, it will act as export agent for the manufacturers of such goods.

Besides these business lines, the financing of traders and export goods manufactureres by the company is also considered. Since this is the first time that the municipal office has projected the establishment of such a company, the result of the plan is now watched with keen interest.

**Cotton Link Defects are Brought to Light:**

Defects of the system of cotton cloth finishing on commission according to the cotton link system in Japan have now been brought to light and counter-measures are being considered.

Under the cotton link system, cotton spinning companies are to ask the weavers to manufacture finished cotton cloth by paying a commission

As the spinning companies have tried to enter into contracts with as many reliable weavers as possible, the commission for finishing has gradually advanced. Notwithstanding the fact that the finishing pays well on a commission of between 55 sen and 60 sen a piece, the present rate of commission is very high, which as follows:—

Striped drills for January/March delivery 65 sen.

Striped drills for April/June delivery 70 sen.

—Striped drills for July/September delivery 80 sen.

Striped drills for October/December delivery 90 sen.

**Cotton Linking System. Difficulty of Effecting any change:**

The Department of Commerce and Industry finds it difficult to effect any change in the existing linking system for cotton cloth exports and raw cotton imports. It intends to cause the Boseki Rengokai (Cotton Spinners' Association) to buy up the stock of raw cotton and to keep it away from the markets for the time being. Measures to adjust the linking system, which has been found defective, will be devised later.

As already noted, the existing linking system has caused a sharp fall in market prices and also a heavy decrease in the export trade especially in the shipment of finished goods. Some sections attribute these drops to the fact that the linking system is on the quantity basis, and advocate a system based on value. To encourage the export of finished articles in preference to grey cloths, others suggest the addition of "weight" in fixing raw cotton import quotas. It is further held in many quarters that the trouble lies in the fact that all weavers are compelled to work on a commission basis for spinning mills affiliated with the Cotton Spinners' Association. The establishment of an export company is also suggested.

The Commerce authorities are reluctant to effect such a drastic change as the working of the linking system on the value basis instead of the quantity basis. They think that the adoption of different ratios for grey cloths and finished goods in connection with raw cotton imports will remedy the situation to a great extent.

However, as the Finance Department insists on an arrangement whereby the raw cotton imported in excess in consideration of the export of finished goods is to be used for export only, they find it rather difficult to enforce the system.

In view of the fact that many mills are causing weavers to handle cheap goods simply in order to increase their raw cotton import rights, the Commerce authorities are now inclined to think that they should instruct the Cotton Spinners' Association to buy the excess stock of raw cotton at present owned by them, to ensure proper control of manufacture. An export adjustment company will probably be established in connection with the present plan.

**Rice Import into Sweden.**

From the 15th February 1939, rice as well as products thereof intended for fodder purposes may be imported into Sweden only with the permission from the Agricultural Committee to the Government of Sweden. If the import licence is obtained an import fee of 5 Swedish ore per klg. is to be paid for rice raw and products thereof on the persumption that the goods are considered to be used as fodder.

**Rice Trade in the Madras Presidency during January 1939.**

The Provincial Marketing Officer in his report for January 1939 says: "The poor seasonal conditions of this year have affected the rice trade in Madras, and imports are being received both from Burma as well as other countries. About 10,000 tons of paddy and nearly 1,000 tons of rice have arrived from Saigon already to Madras Port. As the paddy crop in Burma is reported to be good during this season, there is a likelihood of large arrivals from both Burma, as well as Indo-China. At the end of the month, Saigon paddy was selling at Rs. 3/12 per 163 pounds and Rangoon paddy at Rs. 4/6 Saigon rice was selling at Rs. 8/12 per bag of 216 lb. as compared to Rangoon rice at Rs. 9/4 per bag of 220 lb. Proposals for the opening of two rice grading stations, one in Tanjore district and the other in Nellore, were under consideration since sometime past, and the draft rules under the Agricultural Produce (Grading and Marketing) Act, 1937, and complete specifications of the grades to be adopted were forwarded to the Central Marketing Staff some two months ago......Grading work will commence from next month, when the present crop is expected to come to the market for milling."

## THE INSURANCE ACT AMENDING BILL 1939

The Insurance Act Amending Bill is now before the Assembly. There are three main changes. 1. The date for payment of deposits is fixed as three months after the formal commencement of the operation of the act. 2. It is provided that deposits made by companies in Indian States under the laws of those States might be taken into account in calculating the amount and it should be placed in Government and approved securities, and 3. It brings within the purview of the Act companies which though they have no branches in India work through agents.





## Notice to Advertisers.

Those desiring to change advertisement matter are requested to send in the new matter before the 25th of every month. Proofs of running advertisements will not be sent for approval from month to month.

REGISTERED No. M. 3977

23 MAR 1939
MADRAS

Edited by Mr. K. J. Cleetus, and published by Mr. P. Raghavan Nair, B.A., B. COM. at the Indian Chamber Buildings, Madras.
Printed at the Good Pastor Press, 2, Armenian Street, Madras.

129

# SOUTHERN INDIA COMMERCE

MONTHLY

MARCH. 1939

PUBLISHED BY THE SOUTHERN INDIA CHAMBER OF COMMERCE, MADRAS.

Vol. II No. 3



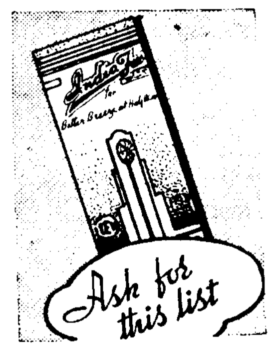
11 - JUN 1939
MADRAS


Interior: UNITED INDIA: CALCUTTA.



*the efficient economical fans*

The PIONEER SOUTH INDIAN INSURANCE CONCERN has equipped their new CALCUTTA BUILDINGS (in 1936) with INDIA Fans.




Week after week every discriminating buyer equips his residence, office or factory with INDIA – BHARAT Fans. So do the various Government departments, Clubs, and other public institutions too—to secure and ensure EFFICIENT PERFORMANCE with ECONOMY.

Quite satisfied the UNITED INDIA have just installed BHARAT FANS in their new BOMBAY BUILDINGS, and are out to equip their new MADRAS BUILDINGS also with INDIA Fans.

*This stands sufficient testimony to the deserving recognition of:*

# I.E.W - INDIA & BHARAT - FANS

**THE SUPREME NATIONAL PRODUCTS**

HEYCOCK CO.

**THE INDIA ELECTRIC WORKS Ltd.,**

CALCUTTA, MADRAS, BOMBAY, LAHORE, DELHI, CAWNPORE.

# CONTENTS

———:o:———



# Index to Advertisers

———:o:———




TELEPHONE: 2529
TELEGRAMS: INDCHAMBER.

SOUTHERN INDIA COMMERCE

ANNUAL SUBSCRIPTION RUPEES FIVE
SINGLE COPY AS. 8
FOREIGN 10 SH.

Vol. II No. 3 | PUBLISHED BY THE SOUTHERN INDIA CHAMBER OF COMMERCE, NORTH BEACH, MADRAS. | MARCH 1939


# Indian Chambers in Conference

The Federation of Indian Chambers of Commerce and Industry had another successful session recently in Delhi during which they considered a wide range of subjects in which delegates from all parts of India took an active part. The retiring President, Mr. Jamshed N. R. Mehta, made a general survey of the foreign trade of the country and stated the need for entering into bilateral agreements with the important customer countries of India and the need for acquisition of markets for Indian commodities in America, Iran, Burma, Ceylon, East Africa and Federated Malaya States. He very frankly and rightly remarked that the Industrial Planning Committee which was appointed sometime ago under the auspices of the Local Governments in the Congress Provinces has a vast and comprehensive task which is much too heavy for a non-official organisation to fulfil as the kind of reliable and authentic data required relating to the volume and nature of the agricultural produce, the manufactured articles, the mineral resources and the extent of the internal market can only be available to Provincial Governments which have an organised machinery in every part of the country. He took the opportunity of sounding a note of warning to Government and the public about the rapid increase in recent years in the establishment of non-Indian concerns in the industrial field and the predominating share which they have successfully captured in the Indian market. With regard to the Sales Tax which is a problem that is newly afflicting several provinces in India of which Madras has none the least share, his remarks are far from being complimentary to the Governments concerned. He said: "Everybody will agree that a Sales Tax is nothing but a consumption tax and such a tax on articles of general consumption is bound to arrest any increase in the per capita consumption of the masses. It seems to me to be a wrong method of raising taxes, as owing to such taxes, the consumer is likely to suffer more than the middleman or the manufacturer and is bound to result in reduced consumption of the goods taxed. Even a small tax on sales of articles of everyday use is likely to be recovered many times over and above the rate of taxes and the already low purchasing power of the agriculturists, who form the masses, is sure to be further affected by the levy of a sales tax on articles of general consumption. ....................Prohibition, if successful, will, no doubt, bring about a healthier life to the labouring classes and to people living in cities and towns. But I cannot see how the mass of agriculturists who form a very much larger number of people can be asked or made to pay for the prohibition programme."

Among the many resolutions that were considered at the session some were intended for the guidance of the Provincial Governments and some for that of the Central Government. Among the former are the resolutions on labour legislation, debt legislation and competition of non-Indian concerns and excise regulations. The resolution on labour is particularly of interest as it draws the attention of the different Provincial Governments which have been busy making labour laws to the evil of unrestricted hasty legislation for providing holidays, maternity benefits, increased wages, shorter hours, medical attention, educational and other welfare activities. A resolution identical to it was passed at the Annual Meeting of the Southern India Chambers of Commerce held a few days previously. There is no doubt that there was a general feeling all over India against uncoordinated legislation taking hold of the different Congress provinces so that an unfair advantage is ensured to the remaining British Indian provinces and Indian States which are still lagging behind in the matter of treatment of labour. The warning of the Federation given in respect of the rapid increase in the establishment on non-Indian concerns both in trade and industry comes none too soon as there is evidence of open-

# The Gap Between Capital and Industries

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

Industries require long term funds not merely at the start but also for expansion There are three kinds of possible investors, viz., individuals, commercial bodies and companies, savings banks and insurance companies. A few individuals with enough enterprise take the initiative but they soon require further capital for stabilising them in earning capacity. It takes time for advertising the productions and finding markets for them. It is at such a period financial aid is required. Provided there is security available and offered there is no reason why indigenous banks and insurance companies should not invest a small portion of their funds in the industries. Sir M. Visveswarayya, in his recent address at Satara, laid emphasis on their fostering industries and regretted the limitations of insurance companies. Of course, as funds in their hands belong to the policy holders, they must be invested with every regard to their safety. A considerable part of investment must be in a fluid state easily available to be turned net cash. So investments may take the form of loans on instalment payment system on the security of the productions or sales *every week or month*. These investments fetch better and steadier interest than the so-called *gilt-edged securities*.

This problem of bridging the gulf between capital and industry is discussed in the recent issue of the *Bankers Magazine* by Mr. B. L. Fishback. He opines that investment in industrial production of durable goods (material which goes into the making of industrial plants and equipments) would facilitate activities of industries making consumers' goods, because of the improvement in the productive capacity enabled by improved and more efficient plants and equipments. That is again because "somewhere along the line, a log-jam developed in the money reservoir which prevented the free flow of long-term funds into industry." Even individuals fight shy of investments on industries. They are dissatisfied with the security, the interest earned, and take shelter under purely savings bank account.

Surely current and savings bank investments at present in India fall short of the Bank rate of 2½ per cent. Would they not get more in the industrial investments? If individuals are shy, banks and cooperative banks can be more enterprising and find industries more profitable investments. Short instalments can be availed of in such cases.—No money except that which is reserved for contingencies of sudden demands must ever be kept idle even for a minute.

That is the fundamental of success. Industry, without the backing of capital, cannot flourish. If wisely administered, industry would even augment capital for the obvious reason that products of industry have a percentage of net profits which could be added to the capital and this like a wheel the cycle of capital and industry rolls on, one depending on the other, both forming one indivisible whole. Investments in industries have to be more encouraged than at present. One of the greatest needs, if not the greatest need of India today, said Sir M. Visveswarayya at Satara, is industrial development. It is lack of industries that is keeping the country poor and it is mainly for lack of capital that industries are languishing.

"I know of many industrial ventures which have failed not for any inherent defect in their design or working but for want of capital." Referring to the Insurance companies he advised them on the basis of the recommendations of the Bombay Banking Enquiry Committee to harness their reserves to the fostering of industries. The situation now is unenviable that " we have reservoirs of capital on one side and parched fields of industry on the other, and it must be in the power of the Government to establish a healthy relation between the two." Insurance companies also betray a disinclination to take anything but highest grade bond flotations. The recent amendments in the Indian Insurance Act have considerably restricted the freedom of investment for the main reason that a large percentage of their assets is to be invested in Government stocks. Even judged by safety aspect on behalf of policy holders the percentage is too high. Fruit, Dairy, Cement, Oil, fertilisers etc., are industries which demand prompt capital. Some require short-term loans and others long-term loans. Anyway the paradoxical situation we find in India as elsewhere in which millions of rupees are seeking investment in safe and desirable channels, and hundreds of meritorious enterprises are in great need of long-term financing yet there are no means provided for bringing such capital to industry on a large scale, must be met by Government aid and encouragement, and public enterprise. Every bank can have industrial financing as a portfolio. All banks can co-operate and if need be pool their contributions for industrial development as a corporation and thereby raise large credit by debenture loans repayable after a certain number of years. Insurance companies can be also affiliated to such joint enterprises.





# Madras Commerce Report for the Months of January & February 1939

*Issued by the Director of Industries and Commerce*
*January* 1939

Although most leading trade indices continued to favourably compare with last year, the recovery in industrial activities in the United States of America after Christmas was below expectations and business has definitely turned disappointing with, however, the exception of the automobile and steel industries which recorded some improvement. The value of the exports from the Madras Province by sea to foreign countries amounted to Rs. 325.84 lakhs as compared with Rs. 285.91 lakhs in January 1938—an increase of Rs. 39.93 lakhs—whilst imports declined by Rs. 21.51 lakhs from Rs. 220.02 lakhs to Rs. 200.50 lakhs. No business took place in the old crop of Tinnevellies during the month while in the new crop local mills made a beginning with forward contracts. The turnover in the old crop Cambodia was small and no business was done in the new crop. The cotton piecegoods market continued dull and in most quarters a pessimistic view was taken of future prospects. The failure in many cases of mofussil customers to meet their commitments rendered dealers nervous of committing themselves for forward deliveries and business was of a retail nature only. There was a strong demand for tanned hides throughout the greater part of January but during the last week of the month, the undertone became easier. In the tanned goat skins market heavy weights were sold throughout the month and inferior selections of heavy weights were sold freely up to three months' shipment. Stocks in the market were very low and quickly taken up. Lower grade tanned sheep skins found a firm market whereas prime tannages and best middle class goods were sold at reduced rates. Prices of groundnuts fluctuated within narrow limits, the demand being moderate early in the month while later on some apathy was shown by exporting firms. Owing to the influx of the new crop, prices of pepper declined early in the month but subsequently the market was active with satisfactory enquiries from Northern India and exporting firms. With the heavy arrivals of the new crop of ginger and small Indian demand, the market closed weak. The Cochin coir yarn market was quiet but the Calicut market was fairly steady owing to moderate demand. The demand for copra and coconut oil was steady earlier in the month, but later on, owing to fairly large arrivals of copra with no demand, the tendency of the market was weak. The sugar market was dull and weak during the first fortnight of the month, but as a result of extension by the Indian Sugar Syndicate of the selling period to the end of January 1939, prices began to improve slowly. Subsequently a further increase was checked by lower prices quoted for Java sugar and the market closed dull owing to the uncertainty of the future. The demand for chemicals during the month was fair. Tea auction prices have shown a fairly firm tendency of late and the demand has been well maintained. The statistical position of rubber is more favourable, consumption has not disappointed expectations of late and as supplies are curtailed, stocks are declining at a fairly rapid rate.

GROUNDNUT:

The market for groundnuts was on the whole steady, prices fluctuating within narrow limits. The average wholesale prices of standard varieties at the main producing centres were as follows:

PER CANDY OF 531 LBS.

| | |
|---|---|
| 23rd Dec. 1938 | Rs. 20 6 0 to Rs. 22 2 0 |
| 27th Jan. 1939 | Rs. 20 4 0 to Rs. 21 15 0 |

PADDY AND RICE:

Early in the month, quotations for paddy and rice firmed up owing to the partial failure of the north-east monsoon but declined thereafter due to heavy imports of Burma rice in the southern markets. The average wholesale prices of standard varieties at the main producing centres were as follows:

INDIAN PADDY PER BAG OF 170 LBS.

| | |
|---|---|
| 23rd Dec. 1938 | Rs 3 12 0 to Rs. 5 0 0 |
| 27th Jan. 1939 | Rs. 3 14 0 to Rs. 4 6 2 |

INDIAN RICE PER BAG OF 170 LBS

| | |
|---|---|
| 23rd Dec. 1938 | Rs. 6 14 0 to Rs. 7 10 9 |
| 27th Jan. 1939 | Rs. 6 0 0 to Rs. 6 12 0 |

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

| | | |
|---|---|---|
| 31st Dec. 1938 | Rs. 8 12 0 | Madras |
| 31st Jan. 1939 | Rs. 8 10 0 | |

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

| | | |
|---|---|---|
| 31st Dec. 1938 | Rs. 8 6 0 | Madras |
| 31st Jan. 1939 | Rs. 7 12 0 | |

COCONUT PRODUCTS:

The Cochin coir yarn market was quiet with practically no demand from Europe. Owing to fair European demand the market for Quilandy soaked coir yarns remained steady during the month. Due to heavy arrivals and less Indian demand the market for Beypore yarns dropped towards the middle of the month but closed steady with fair European demand. Owing to poor arrivals and moderate European demand, the market for Calicut Fine Unsoaked yarns remained steady throughout, but the market for Kallai and Perpengady unsoaked yarn remained easy due to steady arrivals and insufficient European demand.

Due to large arrivals of copra about the middle of the month prices declined, the prices of oil also declining in sympathy.

**COTTON:**

*Tinnevelly:*—No business took place in the old crop during the month. Mills are fairly well stocked with cotton and could not afford to pay the high prices asked for by the holders of the unsold stocks.

In new crop local mills made a beginning, with foward contracts, prices paid at the beginning of the month averaging to Rs. 184 whilst Rs. 166 was paid at the end of the month.

*Cambodia:*—Only a very small turnover took place, South Indian Mills being the only buyers. Prices averaged to about Rs. 230. No sales took place in the new crop during the month.

**SUGAR:**

The market was dull and weak during the first fortnight of January and prices gradually declined by three to five annas per cwt. owing to lack of demand from consuming centres and weaker advices from Cawnpore. Dealers were anxious to clear their stocks at the best rates obtainable as there was no possibility of an increase in prices owing to the release by the Indian Sugar Syndicate of a larger quota than could be consumed before 15th January, and the pressure of the Mills to sell their quotas within the time allowed.

As large stocks out of the quota remained unsold the Syndicate extended the selling period to the end of January 1939. This extension of the selling period eased the position and speculators commenced to show activity, prices improving slowly

Owing to the announcement of an enhancement of Cane prices from 15th instant by the United Provinces Government, Cawnpore market advanced and local prices rose by 2 to 3 annas per cwt. Dealers purchased some small quantities in Cawnpore for despatch to South India, but local prices ruled lower than the level of Cawnpore rates.

On the 23rd instant the Indian Sugar Syndicate, having completed the previous quota, issued a small quota to its members which was sold immediately. Speculative buying set in and prices increased daily in Cawnpore. A further increase was checked by lower prices quoted for Java sugar. There was a reaction and prices began to decline again slightly.

The market closed dull owing to the uncertainty of the future. Dealers anxiously awaited the meeting of the Syndicate on 4th February 1939, when the future selling policy of the Syndicate and questions of sugar and cane prices were to be discussed.

Madras prices of North Indian sugar ranged from Rs. 28-11-0 to Rs. 31-4-0 per bag of 2 cwts. in January 1939 as compared with Rs. 28-12-0 to Rs. 30-12-0 in December 1938.

West Coast markets were dull till about the beginning of 3rd week of January due to lack of demand, and prices declined slightly. Subsequently conditions improved gradually in sympathy with Cawnpore and closed steady with fair demand. Arrivals were fair.

**TANNED HIDES AND SKINS:**

*Tanned Hides:*—During the greater part of January, there was a strong demand and prices advanced by ½d. During the last week however, the undertone became easier and prices for parcels averaging 7 lbs. and over became weaker and on the 31st January quotations were as follows:

Cocos: 7½ lbs. 13½d.; Primes 5½ lbs. 15½d.; Primes 8½ lbs. 13½d.

*Tanned Goat Skins:*—The small shipments during recent months had indicated a certain shortage in tanned goats for the Public Auctions in London which were due to take place on the 23rd of January 1939, and this was felt in the Madras Market by considerable forward purchases at slightly increased prices in anticipation of an inevitable increase in value. Throughout the month more heavy weights were sold and interior selections of heavy weights were sold freely up to 3 months shipment. Stocks in the market were very small and quickly taken up. In the London Public auctions a keen enquiry from the start was shown and prices advanced over December values by 3d. to 5d. per lb. Demand was strongest for heavier ranges while lights advanced only to a small extent.

After the auction the Madras market became rather excited and although one or two small sales were made at an increase of 2d. per lb. above previous prices, it slowed down at the end of the month. Enquiries and orders were received from the United Kingdom at increased prices.

*Tanned Sheep Skins:*—Although shipments have been comparatively high during the last few months, especially in the commoner types, the sheep skins market has not suffered unduly. Probably, in sympathy with the firmness of the Tanned goat skins auctions, lower grade sheep skins found a firm market and closed at prices unchanged from December values, whereas Prime tannages and best middle class goods were sold at a decrease of 3d. to 6d. per lb. Stocks were not accumulating and any goods which showed a tendency to stay in the market for any short length of time were being shipped to London on a consignment basis.



Shipments from Madras during January were as follows:—

| Goat | Sheep | Hides | Cow Calf. | Buffs | Buff Calf. |
|---|---|---|---|---|---|
| 637 | 947 | 3,948 | 319 | 309 | 165 Bales. |

ANNEXURE.

*Wholesale prices of commodities ruling in the markets mentioned on 27th January 1939.*

| Commodity | Market | Quality or Variety | Unit | Price |
|---|---|---|---|---|
| Cotton | Tirupur | Cambodia | Per Candy of 520 lbs. | Rs. 157 to Rs. 170 |
| do. | do. | Karunganni | do. | Rs. 128 to Rs. 143 |
| Groundnuts | Nandyal | Machine shelled | Per Candy of 531 lbs. | Rs. 20-10-0 |
| do. | Coimbatore | do. | do | ... |
| Pepper | Tellicherry | Garbled | Per cwt. F.O.B. | Rs. 17-8-0 |
| Paddy | Tenali | Kusuma | Per bag of 164 lbs. | Rs. 4-3-8 |
| Rice | do. | do. | do. | Rs. 6-5-4 |
| Coir Yarn | Alleppy | Allapat | Per Candy of 672 lbs. | Rs. 60 to Rs. 70 |
| Copra | Cochin | ... | Per Candy of 655 lbs. | Rs. 42-0-0 |
| Coconut Oil | do. | ... | do. | Rs. 63-8-0 |
| Jute | Vizianagaram | Bimli | Per Candy of 506 lbs. | Rs. 36-8-0 |
| Tobacco | Erode | 1st quality | Per md. of 28 lbs. | Rs. 4-0-0 |

*February* 1939

Although the expected upswing in American business activities did not materialise, evidence was accumulating to show that the recent irregular trend and hesitancy in industry were perhaps the precursors of another advance The Bureau of Agricultural Economics does not predict any important near-time business decline prior to the usual spring upturn.

The value of the exports from the Madras Province by sea to foreign countries amounted to Rs. 277.21 lakhs as compared with Rs. 309.000 lakhs in February 1938—a decline of Rs. 31.79 lakhs—whilst imports advanced by Rs. 4.53 lakhs from Rs. 220.34 lakhs to Rs. 224.87 lakhs. Leading cotton markets remained fairly steady during the month with the exception of Bombay which weakened somewhat. The depression in the cotton piecegoods market which has been evident since the beginning of the year showed little or no sign of lifting. The failure of one dealer to meet his engagements further affected confidence. During the first week of the month the tanned hides market recovered somewhat but during the latter half of the month the market became easier again. In the tanned goat skins market there was no substantial increase in prices except on occasional lots of heavy weights. Light weights were still in poor demand. Business in tanned sheep skins continued in a steady scale. In the groundnut market the offtake was good and quotations were firm. There was a fair Indian demand for pepper and the market was fairly steady. The ginger market opened weak but with fair European demand, it improved towards the middle of the month and closed steady. Prices of Cochin coir yarns remained steady with a firmer tendency. The market for Calicut coir yarns was also steady more or less with the exception of a few varieties of unsoaked yarn. Prices of copra and coconut oil remained steady throughout the month. But for some demand from Calcutta the market would have dropped owing to supplies being good. The sugar market showed some sign of improvement early in the month and gradually became firm in sympathy with the Cawnpore market. Dealers were not anxious to buy at the end of the month and preferred to await the announcement of the Central Budget. Sales of chemicals during the month were fair. Tea continued to display a firm tendency and the recent satisfactory prices were well maintained. Rubber continued its improvement as a result of the quota decision and substantial buying by Russia, and was supported by the better trade news from the United States of America and good general buying.

**GROUNDNUT:**

The demand for groundnut was good throughout the month and the prices ruled firm. The average wholesale prices of standard varieties at the main producing centres were as follows:—

PER CANDY OF 531 lbs.

| | | |
|---|---|---|
| 27th January 1939 | Rs. 20 4 0 to Rs. 21 15 0 |
| 24th February 1939 | Rs. 20 8 0 to Rs. 22 5 0 |

**PADDY AND RICE:**

The storage of paddy continued throughout the month. The market for paddy and rice remained steady with good demand. The average wholesale prices of standard varieties at the main producing centres were as follows:

INDIAN PADDY PER BAG OF 170 lbs.

| | |
|---|---|
| 27th January 1939 | Rs. 3 14 0 to Rs. 4 6 0 |
| 24th February 1939 | Rs. 4 0 0 to Rs. 4 8 0 |

INDIAN RICE PER BAG OF 170 lbs.

| | |
|---|---|
| 27th January 1939 | Rs. 6 0 0 to Rs. 6 12 0 |
| 24th February 1939 | Rs. 6 0 0 to Rs. 6 12 0 |

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

| | | |
|---|---|---|
| 31st January 1939 | Rs. 8 10 0 | Madras |
| 28th February 1939 | Rs. 7 12 0 | |

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

| | | |
|---|---|---|
| 31st January 1939 | Rs. 7 12 0 | Madras |
| 28th February 1939 | Rs. 7 8 0 | |

## COCONUT PRODUCTS:

Owing to fair European and moderate Indian demand, the market for Quilandy and Beypore soaked coir yarns was steady throughout, but eased off towards the end of the month due to heavy arrivals. The market for fine unsoaked yarns also remained steady during the month, owing to fair European demand, but the market for Kallai and Perpangadi unsoaked yarns closed weak due to heavy arrivals and less European demand. The prices of Cochin coir yarns remained steady with a firmer tendency due to fair demand chiefly from India.

Quotations for copra and coconut oil weakened early in the month due to paucity of enquiries but later on prices ruled firm due to support from Northern India and the Ceded Districts.

## COTTON:

Leading markets remained fairly steady during Februray excepting Bombay which weakened somewhat owing to increased arrivals and unsatisfactory off-take.

*Tinnevelly*:—In the old crop only a few hundred bales of various grades and prices changed hands, Coimbatore mills being almost the only buyers.

In the new crop there were further moderate sales by dealers, beginning with about Rs. 165/- per 784 lbs. average quality and receding to about Rs. 159/- by the end of the month. Local mills were the main buyers and there was no enquiry at all for export.

The Tinnevelly cotton crop seems to have been greatly benefitted by the late December rains and it looks as if the yield and quality will not fall short of the normal. First arrivals began at Virudhunagar and Satur.

Karunganni in Coimbatore is reported to have suffered very much for want of rains.

*Cambodia*:—The Coimbatore Mills bought the old crop in moderate quantities.

In the new crop, Salem Cambodia was first as usual, arrivals being about normal as regards quality. Prices ranged from Rs. 180/- to Rs. 190/- per 784 lbs. First arrivals from the Coimbatore district proper which began to come in towards the end of the month, were of low qualities till the end of the month, but it was expected that later arrivals would be of normal qualities. Fair average Cambodia of Coimbatore fetched Rs. 210/- per 784 lbs.

The Cambodia crop has been a partial failure for want of rains.

There was no movement of Cambodia in the Southern districts up to the end of the month and no deals were concluded.

## SUGAR:

Early in the month the market showed some signs of improvement and gradually became firm in sympathy with the Cawnpore market. Prices for average qualities increased by five to six annas per cwt. but sellers were not anxious to sell large quantities though demand was good as there was a strong rumour in all Indian markets that the excise duty and the import duty for foreign sugars would be increased in the forthcoming Central Budget. Dealers also tried to purchase some quantities of Java sugar for immediate shipment, but could not do so owing to freight being impossible to arrange. The market did not respond to the extent of Cawnpore prices due to low quotations prevailing for foreign sugars which were below replacement costs for North Indian sugars and large arrivals of British refined sugar.

Dealers were not anxious to buy at the end of the month but preferred to wait until the announcement of the Central Budget when the position was expected to become clearer.

*Imported Sugar*:—Some dealers purchased about 500 tons of British refined sugar from Colombo dealers at lower prices than those quoted by the first hand dealers.

Madras prices of North Indian sugar ranged from Rs. 29-6-0 to Rs. 31-4-0 per bag of 2 cwts. in February 1939 as compared with Rs. 28-11-0 to Rs. 31-4-0 in January 1939.

Up-country markets continued steady with an upward tendency and demand was fair. Calicut and Cochin dealers became nervous and were not anxious to commit themselves to large contracts owing to rumours that considerable quantities of Java sugar had been booked to Western India and might be landed at both the ports. The prices quoted for Java were well below the replacement costs of North Indian sugars. The markets closed quiet.

The general trend of prices at Ports in South India now depends on quotations for imported sugars from time to time.

## TANNED HIDES AND SKINS:

*Tanned Hides*: During the first week of February the market recovered somewhat. It turned out however to be only a temporary affair and during the latter half of the month the market became easier again and on the 28th February quotations were as follows:—

Cocos 7½ lbs. 13¼d; Primes 8¼ lbs. 13½d; Primes 5½ lbs. 15¼d.

*Tanned Goat Skins*:—Similar conditions prevailed as in the month of January, with no substantial increase in prices, except on occasional lots of heavy weight goats. Light weights were in poor demand and were sent to London on a consignment basis. Inferior qualities of light weights found better market than the better grades. An increase of one to two annas per pound was made on heavy weights especially in lower grades. Owing to small stocks, suppliers in Madras were able to hold out in expectation of better prices but the volume of orders and enquiries coming through was small.



*Tanned Sheep Skins*: Business in tanned sheep skins continued on a steady scale. For middle class types orders were given for two to three months' shipment making it impossible in some cases to book up further quantities. Commoner types were in small but steady demand till the end of the month, but primes were weaker in comparison. There were no large stocks in the market.

Shipments during February were as follows:—

| Goat | Sheep | Hides | Cow Calf | Buffs | Buff Calf | |
|---|---|---|---|---|---|---|
| 654 | 900 | 4129 | 275 | 281 | 207 | bales. |

## ANNEXURE.

*Wholesale prices of commodities ruling in the markets mentioned on 24th February 1939.*

| Commodity | Market | Quality or Variety | Unit | Price. |
|---|---|---|---|---|
| Cotton | Tirupur | Cambodia | Per Candy of 520 lbs. | Rs. 154 to Rs. 160 |
| do. | do. | Karunganni | do. | Rs. 125 to Rs. 140 |
| Groundnuts | Nandyal | Machine shelled | Per Candy of 531 lbs. | Rs. 20-15-0 |
| do. | Coimbatore | do. | do. | — |
| Pepper | Tellicherry | Garbled | Per cwt. F.O.B | Rs. 17-12-0 |
| Paddy | Tenali | Kusuma | Per bag of 164 lbs. | Rs. 4-4-8 |
| Rice | do. | do. | do. | Rs. 6-6-0 |
| Coir Yarn | Alleppey | Allapat | Per Candy of 672 lbs. | Rs. 55 to Rs. 65 |
| Copra | Cochin | — | Per Candy of 655 lbs. | Rs. 40-0-0 |
| Coconut Oil | do. | — | do. | Rs. 60-12-0 |
| Jute | Vizianagaram | Bimli 1st quality | Per Candy of 506 lbs. | Rs. 44-0-0 |
| Tobacco | Erode | | Per Maund of 28 lbs. | Rs. 4-0-0 |

## MARKET REPORTS

*Madras (as on 27th March 1939)*

| | R. A. P. |
|---|---|
| **Cotton Yarn (5 lb. bundles)** | |
| **60's** | |
| Coimbatore Pioneers | 4 2 6 |
| Lakshmi | 4 2 0 |
| Pankaja | 4 2 6 |
| **40's (10 lb. bundles)** | |
| Coimbatore Mills | 5 9 0 |
| Madura Mills | 5 14 0 |
| **20's** | |
| Coimbatore Mills | 3 12 0 |
| Madura Mills | 4 0 0 |
| **Silk Yarn (per lb.)** | |
| **Japan White—** | |
| 20 x 22 | 6 10 0 |
| **Japan Yellow** | |
| 20 x 22 | 6 4 0 |
| **Canton** | |
| 20 x 22 | 5 4 0 |
| 28 x 32 | 4 12 0 |
| **Japan Thrown Silk—** | |
| White 20 x 22 | 8 0 0 |
| White 13 x 15 | 8 6 0 |
| **Cotton Piecegoods—** | |
| **Grey Mulls—** | |
| "Mongoose Snake" 22 x 22 (B) | 6 13 0 |
| "Two Rats" 22 x 22 | 6 5 0 |
| **White Mulls—** | |
| 1703 | 9 4 0 |
| Glasgow 9000 | 8 15 0 |
| 1702 | 8 2 0 |
| 9041 | 7 14 0 |
| LL72 | 5 13 0 |
| LL73 | 6 5 0 |
| 68 888 | 10 0 0 |
| **Metals (500 lbs.)** | |
| Yellow metal Sheets "Dittman" | 171 0 0 |
| I. C. C. | 170 0 0 |
| Copper Sheets | 226 0 0 |
| **Cement—** | |
| "Nilgiri" Brand per 1 cwt. | 1 14 0 |
| "Dalmia" | 1 13 0 |
| "Hand" brand per cask | 9 4 0 to 9 6 0 |
| " per bag of 94 lbs | 2 4 0 |
| **Tanned Hides—** | |
| Bangalore 8 to 8½ lbs. | 0 9 10 to 0 10 1 |
| Up-Countries | 0 9 7 to 0 9 10 |
| Coasts—7 to 7½ lbs. | 0 10 1 to 0 10 4 |
| **Tanned Goat—** | |
| Good | 1 8 0 to 1 10 6 |
| Fair | 1 7 0 to 1 8 0 |
| Common | 1 5 0 to 1 7 0 |
| **Tanned Sheep—** | |
| Good | 1 5 0 to 1 7 0 |
| Fair | 1 3 0 to 1 5 0 |
| Common | 1 1 0 to 1 2 0 |
| **Oil seeds (Machined)** | |
| Groundnuts (531lbs) | 25 8 0 |
| Castor Seed (165 lbs). | 9 4 0 |
| **Produce—** | |
| Rice Boiled Cocanada (160 lbs.) | 6 12 0 |
| " Calcutta Nagara (164 lbs.) | 7 8 0 |
| Raw-Rangoon-Broken A 1 (220 lbs.) | 7 14 0 |
| Pepper Tellicherry (Pure) (25 lbs. maund) | 4 0 0 |
| Pepper (Bydgi) | 5 4 0 |
| Ginger (Dry) Calicut (candy of 500 lbs.) | 52 0 0 |
| Chillies Pari per Candy of 500 lbs. | 80 8 0 to 84 0 0 |
| Potatoes (Ooty) Uru per candy of 500 lbs. | 20 0 0 |
| Do Rasi Do | 18 0 0 |
| Do Podi Do | 14 0 0 to 15 0 0 |
| Ghee-Rasipuram per tin of 12 Visses | 22 0 0 |
| Butter-Tenali-Special Do | 15 8 0 |
| Do Gudivada Do | 14 12 0 |
| Soapnuts per candy of 500 lbs. | 36 12 0 to 39 8 0 |
| Tamarind (Bangalore) do. | 28 0 0 to 29 12 0 |

| | Rs. | A. | P. |
|---|---|---|---|
| Coriander Seeds (Cuddapah) do. ... | 52 | 8 | 0 |
| Do (Guntur) do. ... | 43 | 12 | 0 |
| Hand-poun?d rice raw (Molakulukulu) per bag of 82 me ures ... ... | 7 | 8 | 0 |
| Honey (Coo -) per 1 lb. bottle ... ... | 1 | 0 | 0 |

## Bangalore-Mysore Chamber of Commerce

**Silk**—The Silk market has taken to a happy turn. Goods are moving fast with high rates. The improvement in rate is attributed to the upward tendency in foreign silk. Prices are steady.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Kempanaballi Silk per seer of 26½ tolas | 2 | 14 | 0 | to | 8 | 0 | 0 |
| Sidlaghatta ,, ... | 8 | 4 | 0 | to | 8 | 8 | 0 |
| Closepet ,, ... | 2 | 6 | 0 | to | 2 | 8 | 0 |
| Chickballapur ,, ... | 2 | 14 | 0 | to | 8 | 0 | 0 |
| Kyalanur ,, ... | 2 | 14 | 0 | to | 8 | 1 | 0 |
| Mudavadi ,, ... | 2 | 6 | 0 | to | 2 | 8 | 0 |
| Chinnapatna ,, ... | 2 | 2 | 0 | to | 2 | 4 | 0 |
| Kollegal Silk per maund of 1000 tolas | 67 | 8 | 0 | to | 125 | 0 | 0 |
| Silk waste per maund of 28 lbs. | 6 | 0 | 0 | to | 7 | 0 | 0 |

## Bombay Millowners' Association, Bombay

**PIECE-GOODS.**

**Grey, Unbleached.—**

| | Inch. | yds | lb. | Per lb. | Rs. | A. | P. |
|---|---|---|---|---|---|---|---|
| Longcloth (Standard Quality) ... | 37 | 37½ | 9 | ,, ... | 0 | 9 | 2 |
| ,, (Fine Quality)... | 44 | 38 | 7⅞ | ,, ... | 0 | 14 | 8 |
| Shirtings ... | 35 | 38 | 9 | ,, ... | 0 | 8 | 11 |
| ,, (Vegetable Quality) | 37 | 37½ | 9 | ,, ... | 0 | 8 | 4 |
| Leopard Cloth .. | 43 | 38 | 11½ | Per lb. ... | 0 | 8 | 11 |
| Dhoties (upto ½" nakhi Border) ... | 32 | 9 | 1¾ | ,, ... | 0 | 10 | 8 |
| ,, (Calcutta ⅝" P.B.) | 44 | 10 | $1\frac{11}{16}$ | ,, | Not quoted. | | |
| Drills ... | 29½ | 40 | 18½ | ,, ... | 0 | 7 | 6 |
| Domestics ... | 35 | 40 | 18¼ | ,, ... | 0 | 7 | 6 |
| ,, ... | 35 | 40 | 12 | ,, ... | 0 | 7 | 5 |
| Salita ... | 40 | 66 | 25 | ,, | Not quoted. | | |
| Chadars ... | 50 | 6 | 2¼ | ,, . | 0 | 9 | 5 |

**White Bleached.—**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Longcloth ... | 34 | 40 | Per Piece | ... | 9 | 12 | 0 |
| Drill ... | 27 | 42 | ,, | .. | 7 | 10 | 0 |

**Yarn.—**

| | | | | |
|---|---|---|---|---|
| 4s (All Waste) ... ... ... ... | Per lb. | 0 | 8 | 0 |
| 6½s ( ,, ) ... ... ... .. | ,, ... | 0 | 8 | 4 |
| 8½s ... ... ... ... | ,, | 0 | 4 | 2 |
| 10½s ... ... ... ... | ,, ... | 0 | 4 | 6 |
| 12½s ... ... ... ... | ,, ... | 0 | 4 | 10 |
| 16s ... ... ... ... | ,, ... | 0 | 5 | 8 |
| 20s ... ... ... ... | ,, ... | 0 | 6 | 4 |
| 24s ... ... ... ... | ,, . | 0 | 6 | 11 |
| 32s ... . ... ... | ,, ... | 0 | 8 | 2 |
| 40s ... ... ... ... | ,, | Not quoted. | | |
| 60s ... ... ... ... | ,, ... | 0 | 13 | 6 |
| 80s ... ... ... ... | ,, ... | 1 | 4 | 2 |





# Proceedings of Public Bodies

### SOUTHERN INDIA CHAMBER OF COMMERCE

*University Employment Bureau:—*

This Chamber has received a communication from the University of Madras that the University has instituted an Employment Bureau and that application received from Graduates and undergraduates in the Madras area were referred to a Sub-committee. The Sub-committee interviewed the applicants and recommended certain candidates. A copy of the list of candidates recommended is sent to the Chamber. Members of the Chambers may apply to the Secretary of the Chamber if they want suitable candidates for appointment.

*One-way Traffic in George Town, Madras.*

The Chamber has received the following communication from the Deputy Commissioner of Police, Traffic & Licensing, Madras regarding One-way Traffic in George Town, Madras.

"It is hereby notified that under Rule 49 of the Madras Traffic Rules, in addition to the One-way traffic now operating in Angappa Naik Street and Jehangir Street in George Town, all traffic in Linga Cheity Street, Thambu Chetty Street and Armenian Street between China Bazaar Road and Errabalu Chetty Street will be permitted to proceed in only one direction as from 15-4-'39.

Traffic in Linga Chetty Street and Armenian Street will only be allowed from South to North and in Thambu Chetty Street only from North to South."

### THE MADRAS SALES TAX BILL

The Chamber submitted the following memorandum to the Prime Minister of Madras on the Madras Sales Tax Bill:—

"A tax on sales or turnover of goods or services is in vogue in some of the Western countries on a restricted scale. But there are very important exceptions like Great Britain which on expert enquiry have refused to adopt the tax. Those countries which have adopted the tax did so as an emergency measure during financial stringency after the Great War. Many of them have taken care to study the operation of the tax on various classes of commodities and the result is that the tax in many of them is not applicable to export commodities or food materials and other prime necessities of life. The conditions of trade, industry and agriculture, of standard of income and living, labour conditions, structure of tax systems and administrative machinery are all quite different in the West. It would be well for India not to follow blindly the methods of taxation of the West. Neither would it be for the benefit of this Province which in point of trade, industry, income and business enterprise gives pride of place to other Provinces, to strike out an original path in the matter of taxation, while no other Province in India has yet thought of a turnover tax of such universal appliction as is proposed in Madras.

*Consumer's Tax:*—"The Indian tax system is heavily weighted already by too many indirect taxes, while the aim of the most advanced countries of the world has been to impose direct taxes as much as possible, so that, such canons of taxation as ability to pay, administrative convenience and cheapness, certainty of incidence, etc., could be satisfied. The proposed sales tax is a tax on consumption or expenditure, and will add to the numerous other indirect taxes now prevalent in India, and the poorer classes who spend the bulk of their income on the prime necessities of life are going to be worst affected. The experience of other countries is that even separate taxes on luxuries cannot counterbalance the evil effects of the Sales Tax on the poorer classes. The sales tax is in all countries intended to be shifted on to the ultimate consumers, and the bulk of the burden would fall on the necessities of life and raw materials thereby affecting the welfare of the masses and the agriculturists. Even a rich country like the United States of America has introduced specific provisions exempting such commodities of necessity as cereals, meat, milk, bread, sugar, etc. In some cases agricultural products and other natural products are also exempted. While therefore the object of the Prime Minister is to tax the richer and upper classes the proposed tax is bound to bear more heavily upon the agriculturists and the poorer classes than on any other community. The tendency of the tax-payer would be to shift the burden on to the buyer at each stage and it would be successfully done by all the importers and local producers of goods unless competition from abroad and other provinces and States is so great as to prevent it, which is very unlikely. The cumulative effect on the consumer would therefore be most oppressive as he has to bear the half per cent paid many times over at each stage from the producer down to the ultimate consumer with an extra percentage added by every seller to round up prices. That is why general turnover tax operating at all stages from production to consumption is very uncommon in foreign countries, but is only imposed at one or another of the stages."

*Migration of business*:—"The tax is bound to operate as a great handicap to the trade of this Province with other Provinces which is of a very considerable magnitude. It would affect our competitive strength in the matter of supply to neighbouring Provinces and States of such commodities as cotton yarn and piece-goods, groundnuts, castor seed, and vegetable oils, rice and paddy, salt, gunny bags, iron and steel, jaggery, tea, tobacco, wood and timber and wool. It is because of this ruinous effect on internal trade that foreign countries have all made it, except in the United States of America, a national tax and not a Provincial or local tax. In levying this tax the Local Government will be trenching dangerously upon the limits of taxation both of the Central Government and the Local bodies. Government may be sure that the moment the prices of those commodities are enhanced by a Sales Tax, Madras would lose the market in the neighbouring Provinces and States and break the back of the agriculturist who would be already over-burdened as a consumer by the accumulated sales tax. The Sales Tax would also drive Business Houses to neighbouring Provinces and States from where they may sell in this Province without having to pay the tax. It would completely dislocate the distributive markets in Madras and encourage distribution here by Business Houses in other Provinces and States through Agents and servants.

*Burden on industry*:—"The position of the indigenous manufacturer is going to become intolerable as his manufactured product would have to bear both the cumulative tax included in the cost of his raw materials and also the same cumulative tax on the wholesale and retail sale of his manufactured products and thereby become too costly to the consumer. That is bound to be a great handicap to him in competing with the foreign products here in the home market and abroad, and would upset all schemes of protection now operating. The tax would also set free a tendency on the part of large consumers to indent abroad instead of making local purchases, so that the taxes at the different stages of transactions could be avoided.

*Dislocation of business methods*:—"The effect of the sales tax in other countries has been to wipe off smaller traders, manufacturers, and intermediary links as the elimination of certain transactions would serve to reduce the tax burden. Therefore the tendency of factories will be for integrating manufacturing processes and changing methods of business by substitution of brokers for wholesalers, extension of selling on consignment, grouping of manufacturing processes under one owner, allowing actual sales to take place in other Provinces or States or foreign countries and so on. The likely extinction of the intermediary links in internal and foreign trade is one of the most dismal features of the Bill.

"The only important people who would bear the tax without being able to shift it are the exporters of Indian products. The bulk of our exports consist of raw materials and consequently the principal sufferer on account of the tax is the Indian producer of raw materials such as cotton, tobacco, rice, tea, coffee, rubber, oilseeds, hides and skins, mica, manganese ore, magnesite; etc., whose prices abroad are determined in the international market by the conditions of demand and supply there; the ridiculously low buying power of the masses of this country which has suffered a very severe strain during the last one decade of unprecedented depression, has no chance of surviving a shock like this tax. It is on that account that many of the countries which have adopted the sales tax have been careful enough to exempt their exports from the operation of the tax. It is on the same account that the Government of the United States of America have prohibited the application of the Sales tax to commodities which enter into inter-state commerce.

*Labour unrest*:—"The general applicability of the tax and the cumulative effect with which it would operate are bound to enhance consumers' price all round, leading to labour unrest, increase of agricultural indebtedness and reduction of competitive power of Indian manufacture in foreign countries. That is why other countries have restricted the operation of such tax to trades in the cities. France is reported to have made the Sales tax a city tax for the commodities to which it applies, so that small towns and villages are completely exempt.

*Emergent tax*:—The tax was first imposed in other countries only in the emergency of post-war financial prostration, and with the object of earmarking the revenue from such taxation to a definite purpose so that the whole tax has the undoubted feature of being temporary and tentative. The Government of Madras are far from being placed in an emergency at present as they admit that the deficit is only Rs. 17 lakhs against which they have proposed a Provincial entertainment tax and a Turnover tax.

*Yield of the tax*:—"The total foreign trade of the Province amounts to about 54 crores of rupees. In advanced countries of the West the internal trade is estimated to be 25 times the foreign trade, but in India it may be safely taken at 15 times. The turnover of the Province is, therefore, round about 800 crores of rupees. Leaving 23 per cent of it as below the taxable minimum of the Bill, one might reasonably expect a return of 3 crores of rupees on one-half per cent basis. From all other data of internal trade available it is to be expected that the turnover tax will fetch as much as 3 crores of rupees, for the use of which there is no Budget emergency at all, just at present at any rate. The Bill is unsurpassed in vagueness of application and vagueness of yield but the Chamber has reason to estimate that the yield would not be less than Rs. 3 crores under normal circumstances. It may be noted however that there is many a trade which cannot bear one-half per cent tax from out of its own profit, and the wiping out of several intermediate links is going to dislocate it very considerably, affecting business generally and Government's revenue all round.



*Administrative difficulties*:—"Many traders are not in the habit of keeping account books as they cannot afford the expense, but for the purpose of proving turnover they would be compelled to maintain account books and undergo any amount of harrassment at the hands of the tax-gatherer. This feature of the tax has weighed so much with Governments in other countries that its operation, where it was found inevitable, has been reduced to the barest *minimum* limits. The inquisitorial proceedings for the levy of the tax would be more oppressive than in the case of income-tax at present, as the collection of the tax would be in the hands of the Revenue subordinates who have no knowledge either of business or accounts.

"Every town and village in the country would be subject to the operation of the tax and therefore a ponderous machinery of tax-gatherers in a separate Department would have to be installed. The proving of turnover in very many cases is bound to become a matter of great controversy between the merchants and the Revenue subordinates. The stipulation of a fixed fee for turnover between Rs. 10,000 and Rs. 20,000 and between Rs. 20,000 and Rs. 40,000 is not going to reduce public inconvenience in any considerable degree. On the other hand the disparity of prices between those taxed and those exempted is going to make confusion worse confounded. The possibilities of evasion are many and varied, and in all countries the prevention of evasion has become a matter of great difficulty. The number of exemptions, rates, systems of accounts, the conflicts of jurisdiction between Revenue authorities, verification of turnover and so on, are bound to make the tax extremely complicated and cumbersome as elsewhere. If the tax is to be applied only to a specified number of commodities, then the maintenance of special books of accounts and the separation of taxable and non-taxable goods turnover would arise.

"It was with a view to avoid these difficulties that the Colwyn Committee appointed in the United Kingdom to investigate the national debt and taxation system definitely denounced the sales tax as undesirable for Great Britain and Great Britain is now a supreme example of freedom from Sales tax. It is the manifold difficulties with which the tax is complicated that led Mr. Seligman, the renowned economist, to condemn the tax in the following terms: "A general sales tax is a discredited remnant of an outworn system, it is essentially undemocratic in its nature and it would, if enacted, exaggerate rather than attenuate the present inequalities of wealth and income."

The Southern India Chamber of Commerce and Affiliated Bodies, representing the Indian mercantile community of the Province of Madras lodge their emphatic protest against the Madras Sales Tax Bill and urge Government to drop the Bill.

*The Chamber further submitted the following supplemental memorandum to the Hon'ble the Premier to the Government of Madras on the Madras Sales Tax Bill.*

The representatives of the Southern India Chamber of Commerce and Affiliated Bodies discussed with you on Wednesday the 29th March 1939, their Memorandum of objections to the Madras Sales Tax Bill. The objections raised in it have not had your disapproval or disputation, but what stood in the way of the withdrawal of the Bill was the absolute need of Government for revenue from a new source on a progressive scale so as to help forward the Prohibition programme of Government. The Deputation assured you of its hearty co-operation in your noble endeavour to eradicate the evil of drink in graduated measure, and offered to deliberate further upon the subject in consultation with the Committee of the Chamber and to make suggestions for raising revenue for the present requirements of Government. Although your Budget for the year 1939-40 estimated a deficit of Rs. 17 lakhs you admitted that no credit was taken in it for revenue either from the new Entertainment tax or from the new Tobacco tax. Neither was credit taken for any savings by retrenchment which you said you contemplated. With those items duly taken into account you would probably be in possession of a comfortable surplus. Your Prohibition programme for the year 1939-40 has also been outlined in the Budget, so that on true principles of budgetting there is no deficit to look for. But the Deputation bears in mind your demand for resources giving Rs. one crore to start with for programmes of the future which you appear to contemplate.

"You have indeed given the Deputation a difficult task to find new sources of revenue for Government as though you have not already exhaustively scoured the schedules of the Government of India Act. But we take the liberty of suggesting some, more by way of presenting our estimates of their possibilities than by way of suggesting resources unthought of before. Our task is perhaps not so difficult at all, having as we do have, the example of other Provinces almost everyone of which is in the same financial predicament, with a few of them in a much worse plight. Probably you want to keep those resources of this Province as a second line of defence, but we submit that by this time you should have been convinced about the extremely ruinous effect which a Sales tax on an isolated Province would have on the trade, industry and enterprise of this Province which by no means has reason to be proud of its position in that respect among the Provinces of India.

"There are still other resources which the Government of India Act keeps open to you. There is, for example, the terminal tax on passengers, which you might adopt for long distance passengers of 50 miles and over. A license fee for the professions has been very much in the air for several years and there is a legitimate grievance of the general tax-payer that the professions are not bearing their due share of the tax burden as a citizen. You might also introduce a small registration fee ranging from Rupee one to Rupees three for all merchants, manufacturers and other businessmen.

"There is scope for extending the principle of tax on sales of selected commodities. You have already selected petrol, tobacco and electricity. We might suggest to you the possibility of taking up excise kerosene whose sale in this Province amounts to over 30 million gallons in a year and whose selling price being level with that of imported kerosene has not benefited the consumer. There is no reason why that difference of nearly one anna a gallon should not be taken over by Government without detriment to the consumer. The scope of taxing sales of goods without affecting the poor man and the ryot is not exhausted. During the last few years a great deal of the supply of pneumatic rubber tyres and tubes is from local factories. As they benefit by avoiding 30 per cent. duty there is nothing wrong in Government sharing such margin of excess profit. A tax on sales of motor vehicles, clocks and watches, jewellery, tea, coffee, etc. would not be a heavy burden on the people generally. But whatever tax on sales is adopted, the prospect should always be kept in mind of its so operating as to drive the trade or enterprise of the Province out of it to neighbouring States and Provinces. With that purpose in view the percentage should always be kept at the lowest minimum which would not make migration of business paying, and in any case the levy should only be at one point in the chain of transactions on a commodity. We know that the drawing up of a list of such commodities may well be left to the Select Committee who in the course of the oral evidence which they take would be placed in a position to draw up a fairly comprehensive and harmless schedule. We need hardly emphasize that a perusal of the objections which we have detailed in our previous memorandum should have satisfied you how necessary it is to exclude from the application of the tax all exports from the Province whether to foreign countries or to neighbouring States and Provinces. The position of raw materials which feed indigenous industries particularly the cottage industries is similarly precarious and delicate. So also are perishables whose position in the family Budget is liable to be easily upset by an upward change in their price level.

"Before we conclude we desire to draw your special attention to the possibilities of harassment by tax-gatherers which we have mentioned in our previous memorandum, and we look up to you to reduce such annoyance and hardship to the minimum and allow easy means of appeal. The creation of a separate department for handling whatever sales taxes are adopted would conduce very much to the health of the administration and the well-being of the people.

"In making these suggestions we would urge the fact that our basic objection to this form of taxation was on the ground that wholesale business would shift to places outside the Province and tens of thousands of middlemen in the trade would be thrown out of their regular avocation, a result which we shudder to think of, in economic circumstances like the present. We would respectfully point out that the justification, if any, for the imposition of a tax as at present proposed, can only be made out after Government have exhausted all possibilities of effecting economics in the administration. While we are aware that a Congress Government is wedded to the principle of economising the cost of administration we venture to point out that nothing seems to have come out of the Government's proposal to levy a salary cut of 5 per cent. as was disclosed by you in answer to an interpellation on the floor of the Assembly. You appear to have also under consideration a reasonable cut in the overgrown item of contingent expenses and travelling expenses in all departments. But apart from a hotch-potch, we would urge that the general machinery of administration requires especial scrutiny so as to eliminate supernumerary posts which remain as a natural consequence of the creation of District authorities for each department in recent years leaving room for amalgamation and combination at the top. We are not urging this as though we are experts in economy but we desire to suggest that taxation proposals are being given too much of precedence at the expense of efforts for economy and rationalisation of the administrative machinery. We have no doubt that you will keep that matter in mind for early action and we may state that if you should require the help of non-officials for discovering any such sources of economy, business people would be only too willing to offer their co-operation and bring to bear upon the question the public citizens' viewpoint."



# Madras Sales Tax Memorandum Appendix

## Statistics of Madras Province

*N.B.*—Tax taken only on one single turnover sales but in actual practice the tax will be levied 4 to 6 times on the same commodity. For the purpose of allowing for the exempted minimum of Rs. 10,000 turnover and below the estimate of actual incidence of the tax may be taken as 3 times.

### I. PRIME NECESSITIES OF LIFE

1. *Rice*:—(Season and Crop Report 1936-37, page 17) and "economic resources of the Madras Presidency by L. B. Green, Director of Industries."

| | Tons. | Rs. |
|---|---|---|
| Paddy production in 1936-37 ... | 71,55,900 | |
| Its rice equivalent i.e., 2/3rd of the above ... | 47,70,600 | |
| Value at Rs. 80 per ton ... | | 38,16,48,100 |
| Add value of net import of paddy 1936-37 ... | | 73,88,000 |
| Add value of net import of rice 1936-37 ... | | 3,63,33,000 |
| Total Consumption ... | | 42,53,69,000 |

Duty at ½% = Rs. 21,26,845.

2. *Cereals and Pulses*:—(Cholum, cambu, ragi, kora, varagu, samai; maize; Bengal gram; and horse gram).

| | Tons. | | Tons. |
|---|---|---|---|
| Production | 37,21,890 | Export by sea | 1,15,980 |
| Coasting import | 2,11,554 | " by rail | 1,64,002 |
| Import by rail | 3,43,500 | | |
| Total | 42,76,944 | | 2,79,982 |

Net quantity available for consumption = 39,96,962 tons.
Cost per ton = Rs. 70.
Cost of 39,96,962 tons or roughly 40,00,000 tons = Rs. 28,00,00,000
Duty at ½% = 14 Lakhs.

3. *Salt*:—

| | Maunds |
|---|---|
| Quantity for home consumption ... | 1,33,16,794 |
| Quantity for Fish curing ... | 2,43,504 |
| Miscellaneous ... ... ... | 1,81,313 |
| Total for local consumption ... | 1,37,41,611 |

Value Rs. 1-12-0 per maund ... Rs. 2,40,47,800

4. *Chillies, Coriander, tamarind, fruits and Vegetables (Onions, Potatoes, Plantains and other fruits and vegetables).*
Basis of calculation:—8 As. per month per head.
Population 1931 census 46,740,107.
Total Consumption ... 27,82,91,094.
Duty at ½% = Rs. 13,91,455.
Duty at ½ % = Rs. 1,20,239.

5. *Jaggery*:—
Export:—

| | Tons. | | Tons. |
|---|---|---|---|
| Foreign | 409 | Production 1936-37 | 3,38,460 |
| Coastwise | 121 | Coastwise import | 2,112 |
| By rail | 25,325 | Import by rail | 15,150 |
| | 25,855 | Total | 3,55,722 |

| | Tons. |
|---|---|
| Net available for local consumption ... | 3,28,867 |

Cost of 1 ton at Rs. 30 per candy of 500 lbs. = Rs. 4,13,33,184
Duty at ½% = Rs. 2,21,665.

6. *Sugar*:—(Review of Sugar industry 1936-37).
Consumption in the Province normal 80,000 tons.
Value at Rs. 15 per cwt. ... Rs. 2,40,00,000
Duty at ½% = Rs 1,20,000.

7. *Matches*:—(Statistics not separately available.)
Total production in India in 1936-37—2,41,52,822 gross of boxes.
Share of consumption of the Madras Province (taken in the same relation as of imports into Madras to the total import into India in 1925) = 33,60,000 gross of boxes.
Value at the rate of Rs. 2-8-0 per gross = 84,00,000.
Duty at ½% = Rs. 42,000.

8. *Kerosene*:—1936-37.

| | Gal. | Rs. |
|---|---|---|
| Coastwise import 1936-37 ... | 321,71,838 | 1,91,23,283 |
| Foreign ... ... ... | 62,18,626 | 11,19,132 |
| Net quantity available for | 383,90,464 | 2,02,42,415 |
| Coastwise export ... ... | 4,077 | 2,165 |
| Foreign ... | nil. | nil. |
| Net quantity available for consumption ... ... | 3,83,86,387 | 2,02,40,250 |

Duty at ½% = Rs. 1,01,201.

9. *Cotton*:—
Production 1936-37: 4,94,260 bales of 400 lbs. = 88,260 tons.
Value at Rs. 150 per candy of 500 lbs. ... ... Rs. 5,91,36,000
Net exports ... ... Rs. 2,47,57,000
Value of local consumption Rs. 3,43,79,000
Duty at ½% = Rs. 1,71,895.

10. *Yarn*:—

Quantity of yarn consumed by handloom weavers in the Province (Ref. Sixth Industries Conference). ... 7,32,00,000 lbs.

Value at Rs. 5 per 10 lbs. 3,66,00,000

Duty at ½% = Rs. 1,83,000

11. *Cotton & Mill Piece-goods*:—

| | yds. | Rs. |
|---|---|---|
| Production in 1936-37 ... | 7,68,87,938 | |
| Coastwise import ... | 4,74,56,758 | |
| Foreign import ... | 5,26,55,052 | |
| | 17,69,99,748 | |
| Export:— | | |
| Foreign ... | | 3,00,94,625 |
| Coastwaste ... | | 2,59,27,180 |
| | | 5,60,21,805 |
| | | 17,69,99,748 |
| | | 5,60,21,805 |
| Net from the above for local consumptions ... | | 12,09,77,943 |
| Value at 4 as. a yard | | 3,02,44,436 |
| Net import by Railway 7,873 tons. Adding value at Rs. 40 per maund for net Railway import, total local consumption | | 3,81,17,400 |

Duty at ½% = Rs. 1,90,587.

12. *Oilseeds*:—

a) *Castor*:—

| | Tons. | Export | Tons. |
|---|---|---|---|
| Production | 24,580 | Coastwise | 82 |
| Rail import | 23,117 | Rail | 509 |
| | | Foreign | 23,575 |
| | 47,697 | | 24,066 |

Net availabl for local consumption = 23,581 tons.

Value at Rs. 9 per bag of 165 lbs. = Rs. 28,87,156.

Duty at ½% = Rs. 14,435.

(b) *Groundnuts*:—

| | |
|---|---|
| Production 16,57,280 tons less 25% loss in decortication ... | 12,42,960 |
| Import by rail ... ... | 32,387 |
| Coastwise import ... ... | 208 |
| Total ... | 12,75,555 |
| Exports:— | |
| Coastwise ... ... ... | 8,647 |
| Rail ... ... ... | 45,979 |
| Foreign ... ... ... | 6,38,577 |
| Total ... | 6,93,203 |
| Total available for local consumption ... ... | 5,82,252 |

Value at Rs. 20 per candy of 500 lbs. Rs. 5,24,11,680

Duty at ½% = Rs. 2,62,058.

(c) *Gingelly*:—

| | |
|---|---|
| Production ... ... ... | 1,00,050 |
| Rail import ... ... ... | 22,547 |
| Coastwise ... ... ... | 4,378 |
| Total ... | 1,26,975 |
| Exports:— | |
| Foreign ... ... ... | 7,747 |
| Rail ... ... ... | 115 |
| Coast ... ... ... | 744 |
| Total ... | 8,606 |
| Total available for local consumption ... ... ... | 1,18,295 |

Value at Rs. 9 per bag of 165 lbs. ... Rs. 1,41,84,400

Duty at ½ % = Rs. 70,972.

(c) *Copra*:—(Season and Crop Report and Patel's report).

Area under cultivation 1936—37 = 5,84,613 acres.

Total production of copra (No. of trees per acre, 80, yield per tree 40) (1,87,07,65,600 nuts.)

Reduced to copra (6,250 nuts per ton = 2,99,323 tons.

Net import of Copra to the Province = 4,471 tons.

Import of cocoanuts reduced to copra = (4,800 Ceylon nuts per ton) = 21,134 tons.

Net export of oil reduced to copra = 3,045 tons.

Total copra available for consumption = 3,21,883 tons.

Value (candy of 654 lbs. Rs. 40) = 4,43,69,920.

Duty at ½% = Rs. 2,21, 508.

Tax on Prime Necessities in Local Consumption Rs. 98,59,957.

## II. SECONDARY NECESSITIES

12. *Tea*:—

| | lbs. |
|---|---|
| Production of tea in Madras including Travancore, Mysore and Cochin ... ... | 645,08,124 |
| Import Coastwise ... ... | 14,89,881 |
| Rail ... ... ... | 17,20,320 |
| Sea (tea and dusts) ... ... | 15,00,000 |
| Total ... | 692,18,325 |
| Exports. | lbs. |
| By rail ... ... ... | 72,01,600 |
| By sea ... ... ... | 459,60,357 |
| Coastwise ... ... ... | 12,48,281 |
| Total ... | 544,10,238 |
| Net available for local consumption after allowing for consumption in States on population basis ... ... | 1,11,06,065 |
| Value at 8 as: per lb. Rs. | 55,53,000 |

Duty at ½% Rs. 27,750.



13. *Iron & Steel Goods*:—

| | Rs. | Tons. |
|---|---|---|
| Import by Rail 1936—37 ... | ... | 88,791.6 |
| Import by Coasting ... ... | 12,61,358 | 9,930.0 |
| Import by Foreign ... ... | 44,94,959 | 23,079.0 |
| Total ... | 57,56,317 | 1,21,800.6 |
| Export by Rail | ... | 25,382.3 |
| Export by Coasting ... ... | 1,88,170 | 1,589.0 |
| Export by Foreign ... ... | 9,11,956 | 27,720.0 |
| Total ... | 11,00,126 | 54,691.3 |

Net for consumption excluding local production 67,109 tons.

Value of local consumption at Rs. 160 per ton Rs. 1,09,36,000.

Duty at ½% = Rs. 61,680.

14. *Cement*:—

Production in 1936-37 ... 9,97,414 tons.

Share of consumption in the province (according to import basis of 1925 ... ... 2,49,353 tons

Value at Rs. 35 per ton ... Rs. 37,27,355

Duty at ½% = Rs. 43,636.

Duty on Commodities of Secondary necessities Rs. 1,33,066

## III. MISCELLANEOUS ARTICLES.

Statistics for the following commodities are not separately available:—

1. Timber and furniture.
2. Coke, coal and fuel.
3. Tiles, bricks,
4. Spices.
5. Cor prouucts and mats for local consumption
6. Oilcakes and Fertilisers.
7. Boots and shoes and leather manufactures.
8. Soaps and other toilet preparations.
9. Drugs and medicines.
10. Jewellery.
11. Dairy Products. (ghee etc.)
12. Stationary.
13. Wool and woollen manufacture.
14. Metalware and earthenware.

## IV. OTHER IMPORTS.

| | Rs. |
|---|---|
| Value of foriegn imports ... | 15,64.29 lakhs. |
| Value of Coasting ... | 21,00.19 lakhs. |
| Total ... | 36,64.8 lakhs. |
| Less Rs. 15 crores already taken under class 1. ... | 21,64.88 lakhs. |

Duty at ½% = Rs. 10,822,40.

## V. EXPORTS.

| | |
|---|---|
| Value of foreign exports 1936-37 ... ... | 36,50.85 lakhs. |
| Coasting exports ... | 21,61.19 lakhs. |
| Total ... | 57,61.04 lakhs. |

Duty at ½% = Rs. 28,80,520.

Grand total of tax for single turnover, (I, II, IV and V Exempting petrol, tobacco, electricity and entertainments. Rs. 1,40,48,783.

N. B.—Tax taken only on one single turnover sales but in actual practice the tax will be levied 4 to 6 times on the same commodity. For the purpose of allowing for the exempted minimum of Rs. 10,000 turnover and below the estimate of actual incidence of the tax may be taken as 3 times.

## VI. LUXURIES.

Value of Import of Luxury Articles:—

| | |
|---|---|
| Motor cars and Motor cycles, chassis and omnibuses 1936-37 ... ... ... | 44,35,224 |
| Clocks and Watches and Parts ... ... | 1,76,731 |
| Refrigerators ... ... ... ... | 72,041 |
| Wireless and Musical instruments ... ... | 1,98,810 |
| Precious Stones and Silver ... ... | 19,62,510 |
| Cinematograph Films ... ... ... | 1,87,560 |
| Motor and Motor cycles, Cover tubes and solid tyres (excluding local production) ... | 33,14,183 |
| Wine, spirits, ale etc., imported and country spirit at Rs. 8/- per gallon (10,00,000 gals.) | 1,03,90,191 |
| Total ... | 2,07,47,250 |

Typical cases of turnover of same commodity in different hands.

**Raw Cotton**

Cultivator—Kapas
broker
Commission agent
merchant
ginner
mill—yarn
wholesale merchant
up-country dealer
weaver or dyer
cloth merchant
consumer

**Paddy**

Cultivator
village merchant
town or shandy merchant
miller
wholesale merchant or importer
up-country dealer
village dealer
consumer

**Tanned Hides & Skins**

Village merchant collecting raw hides and skins
commission agent
wholesale merchant
tanner
mundy merchant
exporter

**Oil Seeds**

Cultivator
village merchant
commission agent
miller
commission agent
exporter

## Proceedings of Public Bodies (*Contd*).

The Chamber has submitted to the Hon'ble the Prime Minister to the Government of Madras the following memorandum on the Madras Tobacco Tax Bill, 1939.

In the course of the Chamber's memorandum on the Madras Sales Tax Bill, it was pointed out that it would not do for the Government of Madras to take up schemes of taxation merely following the example of Western countries. Tobacco is a case in point. Unlike in Western countries tobacco is a commodity of daily use in various forms in almost every household, not excluding the poorest families. Government are aware that, thanks to the heavy general Customs duty and the substantial excise duty on many articles of prime necessity imposed by the Government of India, the poor man's budget is overweighted already with the tax element in it. It is therefore an undesirable policy for Government so long as they hold out prospects of relieving the burden on the poor and increasing their income, to pile tax upon tax on the poor consumer in an indirect manner without his knowing it.

The Chief objectionable feature of the Bill is the proposal to place the retail sale of tobacco in the hands of a few monopolists. This, in effect, would grievously affect not only the thousands of petty retailers in this Presidency who make a living out of selling chewing tobacco, beedies, cigarettes, cheroots and snuff but also those wholesale dealers, particularly the smaller dealers who have been for generations building up a business in tobacco. In a country where the use of tobacco is so widespread and is such an indispensable necessity to the masses, the absence of easy availability is certainly a grave handicap equally in villages and in towns, so that production would be seriously affected and the growers would be very badly hit in spite of the professed sympathy and solicitude of the Government. A system of private monopoly on a commodity which is of such universal use, which is of varying qualities and grades, and in which the future of several established brands and growths would depend upon the whims and fancies of the monopolist is certainly most reprehensible. Such a monopolist could make or mar a brand or a growth or a manufacturer or grower according as it suits him. In the circumstances there should be no monopoly system and every applicant should be entitled to a license. In any case there should be no system of auction at all. In this connection serious consideration should be given to the power that would be vested in the monopolist for propping up or pulling down particular trade marks and labels.

"While the Bill provides that the wholesale monopolist may sublet his privilege to sell in retail, it is obvious that the poorer stall holders will be made to pay the fee demanded. None can predict what fee the Monopoly dealers may demand; if it is exorbitant the poorer stall holder must go out of business. The effect of the monopoly system on wholesale tobacco dealers and distributors is also worthy of Government's closest consideration. These men, by their own efforts, have for decades past maintained a respectable business, and they are now faced with the prospect of not only paying Rs. 50/- for a license but also of depending entirely on the whims of the monopolists for their livelihood. It may easily be foreseen that a monopolist could for some reason favour some dealers or some dealer's products more than others, and the dealer who is thus boycotted would have no redress. The unfortunate man would not renew his license a second time, and Government would thereby lose revenue.

"The monopoly system would also cause embarrassment and hardship to the ordinary man in the street who has been accustomed to buy without difficulty the brand of beedies, cigarettes or cheroots he likes or suits his purse; under the monopoly system the consumer's choice would be restricted to those brands which the monopolist may favour and, further, an exorbitant price may be demanded.

"There are reasons to think why the monopolist would obtain a complete strangle-hold over every branch of the tobacco trade and interfere with the freedom of every private individual who enjoys the use of tobacco or snuff.

"A dealer may successfully bid for the monopoly privilege in one or more areas, if he has financial backing from a manufacturer. It may, therefore, confidently be assumed that such a monopolist and his sub-licensees would stock only one class of manufactured goods, thus stifling fair competition, which is beneficial to the trades and to the people whom they serve. Any monopolist would, in the absence of competition, be inclined to buy cheap and inferior tobacco products and make as much profit as he can by selling them at a high price. Thus the merchant—manufacturer or dealer—who has taken a pride in the quality of the goods would find no outlet for them, and the smoker must either endanger his health by accepting an inferior brand at a higher price, or give up smoking. In the latter contingency the consumption of tobacco would decrease, resulting in less revenue to Government and hardship to the ryot who grows tobacco leaf in the Province. This Chamber hopes that Government have the interests of the ryots genuinely at heart, and a measure which would eventually react on the production of tobacco in the Presidency would have Government's reconsideration.

Attention has to be specially drawn to the importance of Madras as a producer of tobacco which position is being jeopardised by the proposed levy. Madras has a quarter of a million acres under tobacco cultivation and only Bengal has a slightly larger acreage. The foreign market is being rapidly restricted by other competitors as the following figures show:—



*Total exports of tobacco from India to Straits Settlements and Malaya.*

| | | Quantity in lbs. | Value in Rs. |
|---|---|---|---|
| 1925-26 | ... | 6,537,372 | 23,63,793 |
| 1926-27 | .. | 5,922,368 | 21,77,243 |
| 1927-28 | ... | 5,754,766 | 22,33,341 |
| 1928-29 | ... | 5,617,084 | 22,26,220 |
| 1929-30 | ... | 5,886,842 | 22,72,576 |
| 1930-31 | ... | 4,038,828 | 15,95,751 |
| 1931-32 | ... | 2,535,509 | 11,21,703 |
| 1932-33 | ... | 1,396,483 | 6,18,463 |
| 1933-34 | ... | 1,805,845 | 6,41,229 |
| 1934-35 | ... | 2,047,597 | 6,74,151 |
| 1935-36 | ... | 1,859,596 | 6,37,925 |
| 1936-37 | ... | 1,963,608 | 6,39,623 |

*Exports of Cigars from Madras Presidency to all Countries.*

| | | Quantity lbs. | Value in Rs. |
|---|---|---|---|
| 1925-26 | ... | 75,279 | 92,907 |
| 1926-27 | ... | 67,141 | 79,210 |
| 1927-28 | ... | 67,069 | 73,325 |
| 1928-29 | ... | 66,328 | 75,309 |
| 1929-30 | ... | 68,913 | 80,739 |
| 1930-31 | ... | 66,873 | 80,328 |
| 1931-32 | ... | 41,978 | 47,746 |
| 1932-33 | ... | 28,472 | 35,440 |
| 1933-34 | ... | 24,149 | 32,101 |
| 1934-35 | ... | 26,303 | 30,929 |
| 1935-36 | ... | 18,892 | 32,415 |
| 1936-37 | ... | 19,943 | 34,178 |

"The Madras grower is being thrown more and more on the mercies of the local consumer, and under present prices he is not deriving a third of his former income. This is therefore the most inopportune moment for any such measure of universal taxation which is tantamount to the levy of the hated capitation tax since there are few people who do not use tobacco in one form or another.

"My Chamber therefore earnestly beg you, in the interests of all branches of the Tobacco Trade and the members of the public, to drop the monopoly system in tobacco, and substitute in its place a simple system of license fees to be levied on all those engaged in the tobacco trade (business)

"Reasonable license fees—smaller for the petty retailer than for the wholesale dealer—would readily and cheerfully be borne by the trade, as it is recognised that they must contribute their quota of taxation. Collection of such license fees by the Tobacco Officer would be easy, and the Tobacco Trade, in all its forms and branches, would go forward to the benefit of Government's revenue and all concerned.

"In the circumstances this Chamber request Government to be good enough to drop the proposed monopoly system and to substitute in its place a simple system of license fees to be levied on all those engaged in tobacco trade."

### INDIAN MERCHANTS CHAMBER, BOMBAY

*Renewal of Government Securities*:—It was the accepted practice and recognised understanding that when a Government Promisory Note was renewed the holder of the renewed note had a clean title. A recent decision of the Privy Council, in the case Secretary of States vs. The Bank of India, had however gone counter to this understanding and held that the renewer was liable to indemnify Government if there was any previous flaw in regard to the title of the note. This decision had caused considerable apprehension in the minds of the investing public and the Committee were requested to approach the Government of India for necessary amendment in the law with a view to restoring to the holder of renewed note full title free from any chances of further question regarding validity. The Committee thereupon addressed the Government of India on 22nd February 1939, stating that in view of the judgment of the Privy Council, dealing in Government Securities would be made very difficult both for the brokers and for the investing public. They therefore submitted that Government should bring forward at an early date legislation for amending or modifying the Indian Securities Act of 1920 providing for validity and clean title of the present holders of the Government Securities.

*Indian Wheat to be made tenderable under the Liverpool Wheat Contract.*

The Committee of the Chamber, it will be remembered, had carried on correspondence with the Imperial Council of Agricultural Research regarding securing recognition for Indian wheat as a tenderable quality against Liverpool Contracts. The Council in its turn had taken up this matter with the Association's controlling wheat trade in London and Liverpool. After exchange of certain correspondence and certain discussions between the Vice-Chairman of the Council and the representatives of those Associations, certain proposals were made on behalf of those Associations embodying the following conditions to which Indian wheat should be made to conform for being treated as eligible under the Liverpool contracts:

(*a*) Choice white Karachi, 90% white.
(*b*) Commercially free from weevils.
(*c*) Basis of weight 60½ lbs.
(*d*) Reasonably free from farnaceous grains.
(*e*) Free from dirt.

These conditions were examined by the Committee of the Chamber and they decided to obtain the views of the Associations representing wheat trade before taking any further action on the matter. Accordingly the proposals of the Liverpool and London Associations have been circulated on the 20th February 1939 to the various Associations directly interested in the wheat trade. The Committee are also obtaining information as to the exact nature of the conditions prescribed for Argentine, and Australian wheat under the rules of the Liverpool contracts.

*Rate Circulars by Book-post*:—With reference to the correspondence between the Committee and the Director-General of Posts and Telegraphs regarding the refusal of the Postal authorities to accept market reports at book-post rates, ending with a letter from the former dated 6th January 1939, the latter in his reply dated 16th February 1939, informed the Committee that it was not possible to allow reports with rates entered in manuscripts at book-packet rates as such reports do not fall within the purview of clause 57 of the Post and Telegraph Guide.

## NEW ADMISSIONS

The following members representing particular businesses noted against their names have been admitted as Members of the Chamber.

| NAMES OF MEMBERS OR ASSOCIATION. | NATURE OF BUSINESS. |
|---|---|
| The Oilman Stores and Sundry Merchants Association. c/o M/s. N. Desai Gounder & Co., 41, Bunder Street, Madras. | Trade Association. |
| Messrs. V. Rajagopalan, 2/307, Lingha Chetty Street, Madras. | Manufacturers' Representative. |
| Messrs. Narandas & Co., 18-A, Godown Street, Madras. Addanki Varadappa Chetty, Esq., 26, South Mada Street, Mylapore, Madras. | Piece goods. |
| M. Ramachandran, Esq., Agent for M/s. Caltex (India) Ltd., Cadell's Road. Tanjore. | Agency Busines. |

## Pending Tenders

| GOODS. | LAST DATE FOR APPLICATION. | ADDRESS FOR APPLICATION. |
|---|---|---|
| For the supply and erection of three Hydro-electric Generating sets at Papanasam. | 21st June 1939 | Tenders should be submitted in duplicate. Original to the Chief Engineer, Electricity Department, Chepauk, Madras, and the Duplicate to the Director-General, India Store Deptt., Belvedere Road, Lambeth, London, S. E. 1. |
| Two sets of electrically controlled cut-off gates, two main screens, one subsidiary screen, two pipe lines 8' 6" diam. and 140 ft. long, one discharge valve 8' 6" × 7' 6" with disperser etc. | 5th July 1939 | The Chief Engineer for Electricity, Chepauk, Madras. |





# Agriculture

The following Crop forecast has been issued by the Director of Industries and Commerce, Madras:—

PADDY—(as on 13th February, 1939). Madras.

The average of the areas under Paddy in the Madras Province during the five years ending 1936—37 has represented 14.5 per cent of the total area under paddy in India.

2. The area sown with paddy in 1938-39 is estimated at 9,943,000 acres as against 10,043,000 acres for the corresponding period of the previous year and the finally recorded area of 10,140,831 acres in 1937-38. The present estimate falls short of the final area of the previous year by 2 per cent and of the area of 10,200,160 acres in a normal year by 2.5 per cent.

3. 963,000 acres have been reported as sown since the last December forecast was issued. The extent so sown was large in the South (326,000 acres), the Carnatic (200,000 acres), East Godavari (100,000 acres), Anantapur (65,000 acres), Vizagapatam (60,000 acres) and Chittoor (56,000 acres). The area sown in December and January was less than that sown in the corresponding period of the previous year by 485,000 acres or by 33.5 per cent.

The area under second crop paddy is expected to be below normal owing to the failure of the north-east monsoon rains.

4. The harvest of the main crop of paddy is in progress.

The crop was damaged by the cyclone in November in the districts of East Godavari, West Godvari and Kistna. The crop was also adversely affected by the failure of the north-east monsoon rains in the other important paddy growing districts.

The yield is expected to be normal in Bellary and Anantapur and below normal in the other districts. The yield is estimated to be only 50 per cent of the normal in Chingleput and South Arcot, 60 per cent in West Godavari and 75 per cent in North Arcot and Ramnad. The seasonal factor for the Presidency works out to 82 per cent of the average as against 96 per cent in the Season and Crop Report of the previous year. On this basis, the yield works out to 81,145,000 cwt. of cleaned rice. This represents a decrease of 15,851,000 cwt. of cleaned rice or 16.3 per cent when compared with the estimate of 96,996,000 cwt. of cleaned rice in the Season and Crop Report of the previous year. The yield in an average year is estimated at 102,007,000 cwt. of cleaned rice.

5. The wholesale price of paddy, second sort, per imperial maund of 82-2/7 lb. or 3,200 tolas as reported from important markets on 6th February, 1939 was Rs. 3-6-0 in Vellore, Rs. 2-12-0 in Chittoor, Rs. 2-10-0 in Tinnevelly, Rs. 2-9-0 in Virudunagar, Rs. 2-6-0 in Vizianagram and Madura, Rs. 2-5-0 in Rajahmundry and Trichinopoly, Rs. 2-4-0 in Ellore, Bezwada, Masulipatam and Guntur, Rs. 2-2-0 in Coconada and Cuddalore, Rs. 2-1-0 in Hindupur and Conjeeveram, Rs. 2-0-0 in Kumbakonam and Anantapur, Rs. 1-15-0 in Mangalore and Rs. 1-14-0 in Negapatam. When compared with the prices published in the last report, i.e., those which prevailed on 9th January, 1939, the prices reveal a rise of 7 per cent in Anantapur, 3 per cent in Hindupur and 2 per cent in Tinnevelly and a fall of 17 per cent in Madura, 14 per cent in Kumbakonam and Negapatam, 12 per cent in Trichinopoly, 11 per cent in Cuddalore, 8 per cent in Conjeeveram, 5 per cent in Virudunagar, 3 per cent in Guntur and 2 per cent in Chittoor, the prices remaining stationary in the other markets.

*(Area in thousands of acres, i.e., 000 being omitted; yield in cleaned rice in thousands of cwt., i.e., 000 being omitted.)*

| District and group. | Estimated area sown in 1938-39. | Area in 1937-38 as per season and crop report. | Average area as per season and crop report. | Increase (+) or decrease (—) of the area in col. (2) as compared with the area in Col. (3). | Col. (4). | Percentage of the estimated yield per acre in the current year to the normal yield per acre. | Estimated yield of the area in col. (2). | Estimated yield of the area in column (3) as per season and crop report | Estimated average yield of the area in col. (4) | Increase (+) or decrease (—) of the yield in col. (8) as compared with the yield in Col. (9) | Col. (10) | District & Group. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) ACS. | (3) ACS. | (4) ACS. | (5) ACS. | (6) ACS. | (7) | (8) CWT. | (9) CWT. | (10) CWT. | (11) CWT. | (12) CWT. | (13) |
| Vizagapatam ... | 750 | 756 | 866 | — 6 | — 116 | 87 | 5,223 | 5,521 | 6,929 | — 298 | — 1,706 | Vizagapatam. |
| East Godavari ... | 700 | 686 | 661 | + 14 | + 39 | 90 | 7,089 | 7,398 | 7,437 | — 309 | — 348 | East Godavari. |
| West Godavari ... | 660 | 688 | 680 | — 28 | — 20 | 60 | 4,579 | 7,417 | 7,870 | — 2,838 | — 3,291 | West Godavari. |
| Kistna ... ... (r) | 547 | 562 | 570 | — 15 | — 23 | 80 | 4,633 | 5,947 | 6,036 | — 1,314 | — 1,403 | Kistna. |
| Guntur ... ... | 400 | 398 | 390 | + 2 | + 10 | 90 | 3,704 | 4,347 | 4,016 | — 643 | — 312 | Guntur. |
| Total, Circars | 3,057 | 3,090 | 3,167 | — 33 | — 110 | 81 | 25,228 | 30,630 | 32,288 | — 5,402 | — 7,060 | Total, Circars. |
| Kurnool ... ... | 60 | 71 | 71 | — 11 | — 11 | 95 | 516 | 642 | 640 | — 126 | — 124 | Kurnool. |
| Bellary ... ... | 31 | 27 | 37 | + 4 | — 6 | 100 | 301 | 221 | 355 | + 80 | — 54 | Bellary. |
| Anantapur ... | 160 | 90 | 109 | + 70 | + 51 | 100 | 1,619 | 821 | 1,104 | + 798 | + 515 | Anantapur. |
| Cuddapah ... | 135 | 107 | 110 | + 28 | + 25 | 91 | 1,305 | 1,075 | 1,168 | + 231 | + 137 | Cuddapah. |
| Total, Deccan | 386 | 295 | 327 | + 91 | — 59 | 96 | 3,741 | 2,758 | 3,267 | + 983 | + 474 | Total, Deccan. |
| Nellore ... ... | 400 | 404 | 439 | — 4 | — 39 | 80 | 2,914 | 3,605 | 3,997 | — 691 | — 1,083 | Nellore. |
| Chingleput ... | 650 | 737 | 689 | — 87 | — 39 | 50 | 2,840 | 6,408 | 6,021 | — 3,568 | — 3,181 | Chingleput. |
| South Arcot ... | 550 | 573 | 580 | — 23 | — 30 | 50 | 2,881 | 5,472 | 6,078 | — 2,591 | — 3,197 | South Arcot. |
| Total, Carnatic | 1,600 | 1,714 | 1,708 | — 114 | — 108 | 58 | 8,635 | 15,485 | 16,096 | — 6,850 | — 7,461 | Total, Carnatic. |
| Chittoor ... | 200 | 232 | 191 | — 32 | + 9 | 80 | 1,773 | 2,502 | 2,116 | — 729 | — 343 | Chittoor. |
| North Arcot ... | 475 | 546 | 525 | — 71 | — 50 | 75 | 3,915 | 5,564 | 5,772 | — 1,649 | — 1,857 | North Arcot. |
| Salem ... ... | 172 | 130 | 168 | + 42 | + 4 | 90 | 1,719 | 1,458 | 1,863 | + 261 | — 144 | Salem. |
| Coimbatore ... | 96 | 94 | 115 | + 2 | — 19 | 80 | 864 | 1,016 | 1,293 | — 152 | — 429 | Coimbatore. |
| Trichinopoly ... | 320 | 325 | 305 | — 5 | + 15 | 90 | 3,099 | 3,481 | 3,288 | — 382 | — 189 | Trichinopoly. |
| Total, Central | 1,263 | 1,327 | 1,304 | — 64 | — 41 | 82 | 11,370 | 14,021 | 14,332 | — 2,651 | — 2,962 | Total, Central. |
| Tanjore ... ... | 1,210 | 1,197 | 1,133 | + 13 | + 77 | 95 | 11,690 | 11,647 | 11,519 | + 43 | + 171 | Tanjore. |
| Madura ... ... | 285 | 329 | 341 | — 44 | — 56 | 90 | 2,978 | 3,861 | 3,959 | — 883 | — 978 | Madura. |
| Ramnad ... | 330 | 405 | 426 | — 75 | — 96 | 75 | 2,322 | 3,591 | 3,996 | — 1,269 | — 1,674 | Ramnad. |
| Tinnevelly ... | 287 | 325 | 332 | — 38 | — 45 | 95 | 3,244 | 3,334 | 3,950 | — 90 | — 706 | Tinnevelly. |
| Total, South | 2,112 | 2,256 | 2,232 | — 144 | — 120 | 91 | 20,234 | 22,433 | 23,421 | — 2,199 | — 3,187 | Total, South. |
| Malabar ... | 929 | 865 | 874 | + 64 | + 55 | 88 | 6,847 | 6,378 | 7,317 | + 469 | — 470 | Malabar. |
| South Kanara ... | 590 | 588 | 582 | + 2 | + 8 | 95 | 5,029 | 5,226 | 5,226 | — 197 | — 197 | South Kanara. |
| The Nilgiris ... | 6 | 6 | 6 | ... | ... | 95 | 61 | 65 | 60 | — 4 | + 1 | The Nilgiris. |
| Total, West Coast & Hills | 1,525 | 1,459 | 1,462 | + 66 | + 63 | 91 | 11,937 | 11,669 | 12,603 | + 268 | — 666 | Total, W.C. & H. |
| Total, Province | 9,943 | 10,141 | 10,200 | — 198 | — 257 | 82 | 81,145 | 96,996 | 102,007 | — 15,851 | — 20,862 | Total, Province. |



COTTON—(as on 8th February, 1939), Madras.

The average of the areas under cotton in the Madras Province during the five years ending 1936-37 has represented 9.6 per cent of the total area under cotton in India.

2. The area under cotton up to the 25th January 1938 is estimated at 1,873,900 acres. When compared with the area of 2,512,000 acres estimated for the corresponding period of last year, it reveals a decrease of 25.4 per cent.

368,500 acres have been reported as sown since the last December forecast was issued. This extent is made up of 235,000 acres under Tinnevellies, 62,000 acres under Northerns and Westerns, 44,400 acres under Cambodia, 14,100 acres under Coconadas, 12,400 acres under Salems and 600 acres under other varieties of cotton. The area sown in December and January falls short of that sown in the corresponding period of the previous year by 24,900 acres or by 6.3 per cent.

3. The decrease in area in the current year as compared with the area in 1937-38 occurs in all the important cotton-growing districts of the Province and is attributable largely to unfavourable seasonal conditions.

The area under irrigated cotton mainly Cambodia is estimated at 162,200 acres as against 271,700 acres for the corresponding period of the previous year, a decrease of 40.3 per cent.

4. Pickings of the mungari or early sown cotton crop in the Deccan have concluded. The yield was normal on the whole.

The crop was affected by the failure of the North-East monsoon rains and yields below normal are reported from all the important cotton-growing districts except Kurnool and Anantapur where the yield is expected to be normal. The estimated yield is lowest for dry cotton in Coimbatore (75 per cent) owing to the attack of insect pests and diseases.

5. The seasonal factor for the Province as a whole works out to 94 per cent of the average as against 80 per cent in the previous year. On this basis, the total yield is estimated at 375,800 bales of 400 lbs. as against 488,600 bales for the corresponding period of the previous year. It is, however, too early to estimate the yield with accuracy as the harvest has not yet commenced in the major portion of the area and much will depend upon the future weather conditions and the toll taken by insect pests.

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

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

| Variety. | Area from 1st April to 25th January. 1938-39. | 1937-38. | Corresponding yield. 1938-39. | 1937-38. |
|---|---|---|---|---|
| | ACS. | ACS. | BALES. | BALES. |
| (1) | (2) | (3) | (4) | (5) |
| Irrigated Cambodia ... | 153,0 | 259,7 | 87,9 | 158,6 |
| Dry Cambodia ... | 178,4 | 306,2 | 34,1 | 62.7 |
| Total, Cambodia ... | 331,4 | 565,9 | 122.0 | 221 3 |
| Karunganni in Coimbatore | 57,2 | 137,0 | 10,5 | 29,7 |
| Uppam in the Central districts. | 18,6 | 32,0 | 2,7 | 4,9 |
| Nadam and Bourbon ... | 3,3 | 25,2 | 2 | 1,2 |
| Total, Salems ... | 79,1 | 194,2 | 13,4 | 35,8 |
| Tinnevellies* ... | 458,0 | 529,5 | 12,1 | 123,9 |
| Northerns and Westerns | 882 0 | 1,086,0 | 106,8 | 84,1 |
| Cocanadas ... | 117,6 | 129,4 | 20,8 | 22,6 |
| Others ... | 5,8 | 7,0 | 7 | 9 |

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

7. The average wholesale price of cotton lint per imperial maund of 82-2/7 lb. as reported from important markets on 6th February 1939 was Rs. 15-1-0 for Coconadas, Rs. 14-13-0 for red Northerns, Rs. 13-7-0 for white Northerns, Rs. 12 for Westerns (mungari crop), Rs. 13-9-0 for Westerns (jowari crop), Rs. 24-15-0 for Coimbatore Cambodia, Rs. 18-14-0 for Southern Cambodia, Rs. 21-10-0 for Coimbatore Karunganni, Rs. 18-14-0 for Tinnevelly Karunganni, Rs. 17 for Tinnevellies and Rs. 17-14-0 for Nadam cotton. When compared with the prices published in the last report, i.e., those which prevailed on 9th January 1939, these prices reveal a rise of about one per cent in the case of Coimbatore Karunganni and a fall of about eight per cent in the case of Southern Cambodia and Tinnevellies six per cent in the case of Western (mungari crop), five per cent in the case of Tinnevelly Karunganni and one per cent in the case of Coimbatore Cambodia, Westerns (jowari crop) and Coconadas; the prices of Northerns (red and white varieties and Nadam cotton remaining stationary.

8. Figures by districts are given in statement I. Figures of area by varieties in the Central districts and the South are given in statement II.

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 area sown up to the end of January 1939. | Area in 1937-38 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. | Total 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) | District. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| | ACS. | ACS. | ACS. | ACS. | ACS. | | | Bales | Bales | Bales | Bales | Bales | Bales | Bales | Bales. | Bales. | Bales. | Bales. | |
| Madura ... | 143,0 | 211,3 | 165,1 | — 68,3 | — 22,1 | 95 | 95 | 17,9 | 28,1 | ... | ... | ... | ... | 41,0 | 61,0 | 52,2 | —20,0 | —11,2 | Madura. |
| Ramnad ... | 200.0 | 249,8 | 220,9 | — 49,8 | — 29,9 | 95 | 95 | 45,8 | 7,4 | ... | ... | .. | ... | 22,7 | 66,7 | 65,4 | —14,0 | — 12,7 | Ramnad. |
| Tinnevelly ... | 210,4 | 314,6 | 298,5 | — 104.2 | — 83.1 | 95 | 95 | 48,9 | 4,4 | ... | ... | ... | ... | 52.2 | 76,9 | 78,7 | —28,6 | —25,4 | Tinnevelly. |
| Total ... | 553,4 | 775,7 | 688,5 | — 222,8 | — 135,1 | 95 | 95 | 112,1 | 34,9 | ... | ... | ... | ... | 147,0 | 204,6 | 196,3 | —57,6 | —49,3 | Total |
| Chingleput ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | Chingleput. |
| South Arcot ... | 6,5 | 10,4 | 4,1 | — 3,9 | + 2,4 | 95 | 95 | ... | 4 | 6 | ... | ... | ... | 1,0 | 1,6 | 8 | — 6 | + 2 | South Arcot. |
| Chittoor ... | 1 | 1 | 1 | ... | ... | ... | 100 | ... | ... | ... | ... | ... | ... | ... | —1 | ... | 1 | ... | Chittoor. |
| North Arcot .. | 1,0 | 1,8 | 2,1 | — 8 | — 1,1 | 90 | 90 | ... | 2 | ... | ... | ... | ... | 2 | 3 | 4 | —1 | —2 | North Arcot. |
| Salem ... | 63,5 | 108,8 | 76,2 | — 45,3 | — 12,7 | 95 | 95 | ... | 20.5 | 2 | ... | ... | | 20,7 | 33,4 | 26,2 | —12,7 | —5,5 | Salem. |
| Coimbatore ... | 213,7 | 421,2 | 333,0 | — 207.5 | — 119.3 | (d) 90 | 75 | .. | 60,4 | (c)11,0 | ... | ... | ... | 71,4 | 142,9 | 113,3 | —71,5 | —41,9 | Coimbatore. |
| Trichinopoly including Pudukkottah. | 29,6 | 63,6 | 57,4 | — 34,0 | — 27,8 | 90 | 90 | ... | 5,6 | 1,5 | ... | ... | ... | 7,1 | 18,4 | 17,4 | —11,3 | —10,8 | Trichinopoly including Pudukkottah. |
| Tanjore ... | 1 | 1 | 2 | ... | — 1 | ... | 100 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | Tanjore. |
| Malabar ... | 4 | 3 | 3 | + 1 | + 1 | ... | 100 | ... | ... | 1 | ... | ... | ... | 1 | 1 | 1 | .. | ... | Malabar. |
| South Kanara ... | 2 | 2 | 2 | ... | ... | ... | 100 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | South Kanara. |
| Total ... | 315 1 | 606,5 | 478,6 | — 291,4 | — 158,5 | 90 | 82 | | 87,1 | 12,4 | ... | | ... | 100,5 | 196,8 | 158,2 | —96 3 | —57,7 | Total. |
| Kurnool including Banganapalle. | 220,6 | 281,2 | 254,0 | — 11,2 | — 34,0 | ... | 100 | ... | ... | ... | 27,5 | ... | .. | 27,5 | 20,3 | 81,8 | +7,2 | —4,8 | Kurnool including Banganapalle. |
| Bellary ... | 500,0 | 602,1 | 557,4 | — 102,1 | — 57,4 | ... | 95 | ... | ... | ... | 59,4 | ... | ... | 59.4 | 42,9 | 69,7 | +16,5 | —10,8 | Bellary. |
| Anantapur ... | 112,0 | 155,1 | 117.0 | — 48,1 | — 5,0 | ... | 100 | ... | ... | ... | 14.0 | ... | ... | 14,0 | 11,0 | 14,6 | +3,0 | —6 | Anantapur. |
| Cuddapah ... | 50,0 | 62,8 | 59.9 | — 12,8 | — 9.9 | ... | 95 | ... | ... | ... | 106,8 | ... | ... | 5,9 | 6,9 | 7,5 | —1,0 | —1.6 | Cuddapah. |
| Total ... | 882 0 | 1,050.7 | 98[illegible],3 | — 168,7 | — 106,8 | ... | 97 | ... | ... | ... | 106,8 | ... | ... | 106.8 | 81,1 | 123,6 | +25,7 | —16,8 | Total. |
| Vizagapatam (Golgonda taluk). | 2,0 | 2,8 | 2,1 | — 8 | — 1 | ... | 95 | ... | ... | .. | ... | 4 | ... | 4 | 4 | 4 | ... | ... | Vizagapatam (Golgonda taluk.) |
| East Godavari ... | 10,5 | 10,5 | 7,9 | ... | + 2,6 | ... | 95 | ... | ... | ... | ... | 1,9 | ... | 1,9 | 1,8 | 1,5 | +1 | +4 | East Godavari. |
| West Godavari ... | 6 | 8 | 1 | — 2 | — 2 | ... | 90 | ... | ... | ... | .. | 1 | ... | 1 | 1 | 1 | ... | ... | West Godavari. |
| Kistna ... | 5,0 | 7,5 | 20.4 | — 2,5 | — 15,4 | ... | 95 | .. | ... | ... | ... | 9 | ... | 9 | 1,1 | 3,8 | —2 | —2,9 | Kistna. |
| Guntur .. | 69.5 | 78,1 | 80.7 | — 8,6 | — 11,2 | ... | 95 | ... | ... | .. | ... | 12,4 | ... | 12,4 | 11,4 | 15,1 | +1,0 | —2,7 | Guntur. |
| Nellore ... | 80.0 | 88,4 | 88.5 | — 8,4 | — 8,5 | ... | 90 | .. | .. | ... | ... | 5.1 | ... | 5 1 | 6,5 | 6,3 | —1,4 | —1,2 | Nellore. |
| Total ... | 117,6 | 132,6 | 145,4 | — 15,0 | — 27,8 | ... | 94 | ... | .. | ... | ... | 20.8 | .. | 20,8 | 21.8 | 27,2 | —5 | —6,4 | Total |
| Vizagapatam except Golgonda taluk. | 5,8 | 8,4 | 10,2 | + 2.4 | — 4,4 | ... | 95 | ... | ... | ... | ... | ... | 7 | 7 | 3 | 1,8 | +4 | —6 | Vizagapatam except Golgonda taluk |
| Province, total... | 1,873,9 | 2,568,9 | 2,306,0 | — 695,0 | — 432,1 | 91 | 94 | 122,1 | 122,0 | 13,4 | 106,8 | 20,8 | 7 | 875,8 | 504,1 | 506,6 | —128,3 | —180,8 | Province, total. |
| | | | | | | 94 | | 875,8 | | | | | | | | | | | |

(a) Includes Uppam, Karunganni and mixed country cotton in Madura, Ramnad and Tinnevelly.
(b) Includes Carunganni in Coimbatore, Uppam, Nadam and Bourbon.
(c) Includes 105 hundred bales of Karunganni
(d) The seasonal factor of irrigated Carunganni in Coimbatore is 80.

STATEMENT II.

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

| District. | Area under irrigated cotton mainly Cambodia. | Area under unirrigated cotton. Cambodia. | Uppam. | Nadam and Bourbon. | Tinnevellies. | Total. |
|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| | ACS. | ACS. | ACS. | ACS. | ACS. | ACS. |
| Chingleput ... | ... | ... | | ... | ... | ... |
| South Arcot ... | 2 | 2,3 | 4.0 | ... | ... | 6,3 |
| Chittoor ... | ... | ... | 1 | ... | ... | 1 |
| North Arcot ... | 1 | 9 | ... | ... | | 9 |
| Salem ... | 22,0 | (r)39,0 | (r) 8 | 1,7 | ... | 41,5 |
| Coimbatore ... | (a) 100,2 | 61,0 | (b)51,0 | 1,5 | ... | 113,5 |
| Trichinopoly ... | 5,5 | 14,0 | 10,0 | 1 | ... | 24,1 |
| Tanjore .. | ... | ... | 1 | ... | ... | 1 |
| Madura ... | 18,0 | 52,0 | ... | ... | 73,0 | 125,0 |
| Ramnad ... | 10,8 | 4,2 | ... | ... | 185,0 | 189,2 |
| Tinnevelly ... | 5,4 | 5,0 | ... | ... | 200,0 | 205,0 |
| Malabar ... | ... | ... | 4 | ... | ... | 4 |
| South Kanara ... | ... | ... | 2 | ... | ... | 2 |
| Total ... | 162,2 | 178,4 | 66,6 | 3,3 | 458,0 | 706,8 |

(a) Includes 9,2 hundred acres of irrigated Karunganni.
(b) Includes 48,0 hundred acres of unirrigated Karunganni.
(r) Revised figure.

# Trade Enquiries

A Correspondent in Nellore desires to be put in touch with actual manufacturers of Asafoetida in India.

A firm in Malta desires to be put in touch with exporters of Paddy husks suitable for insulation of ice chests.

A local firm enquires for purchasers in India of cotton waste of all descriptions.

A firm in Prague (Czechoslovakia) desires to be put in touch with exporters of Aloe fibre in India (I. T. J. of March 2, 1939).

A firm in Rangoon desires to be put in touch with manufactures of sweets, such as Acid drops, Lolly-pops, etc., specially in Calcutta and Madras, with a view to securing Agency business (I. T. J. of March 16, 1939).

A Correspondent in Kottayam (Travancore) desires to be put in touch with manufacturers of Shell-lime (burnt) in India (I. T. J. 16th March 1939).

# Publications Received in March 1939

The World Economic Depression.
The Beginnings of Local Taxation in the Madras Presidency
Indian World.
Monthly Record.
Japan Trade Review.
Tokyo.
Flintshire.
The Indian Soap Journal.
Journal of the Indian Merchants' Chamber.
Financial Times.
Commerce Reports.
Germany's Economic Situation at the turn of 1938-39.
Echo.
Accountant.
Board of Trade Journal.
Canadian Exporter.
Belfast Chamber of Commerce Journal.
Glasgow Chamber of Commerce Monthly Journal.
Burma Trade Journal.
Indian Trade Journal.
Mysore Economic Journal.
The Ceylon Trade Journal.
The Madras Agricultural Journal.
W-E-Z.
Great Britain and the East.
Ubersee Post.
Hargovandas Lakshmichand College of Commercial Journal.
Commerce and Industry.
Indian Finance.
Commerce.
Capital.
Indian Review.
World Trade.
The Commercial Review.
Port of Bombay.
Iron and Steel Trades in 1938.
Village India.
The Chemical Age.
Commerce—Japan.
The Indian Railway Magazine.
Barclays Bank.
Indian Trade.
Cinchona Cultivation in South India.
Mysore Information Bulletin.
Eastern Economist.



# FINANCE

## *Treasury Bills Position*

(In Thousands of Rupees)

| Week-ending 1938 | | Treasury Bill sales. | Average Discount etc. | Total Outstandings etc. |
|---|---|---|---|---|
| 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 9 | 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 |
| " | 28 ... | 1,50,00 | 0 11 0 | 16,97,00 |
| August | 4 ... | 1,50,00 | 0 10 1 | 16.47,00 |
| " | 11 ... | 1,50,00 | 0 9 10 | 16,47,00 |
| " | 18 ... | 2,00,00 | 0 9 8 | 17,47,00 |
| " | 25 ... | 2,00,00 | 0 9 11 | 18,47,00 |
| September | 1 ... | 2,00,00 | 0 10 10 | 19,81,75 |
| " | 8 ... | 2,00,00 | 0 11 10 | 20,99,75 |
| " | 14 ... | 2,00,00 | 0 12 11 | 21,99,75 |
| " | 22 ... | 2,00,00 | 1 0 9 | 22,99,75 |
| " | 29 ... | 1,16,25 | 1 8 3 | 23,16.00 |
| October | 6 ... | 2,00,00 | 1 6 5 | 24,16,00 |
| " | 14 ... | 2,00,00 | 1 5 1 | 24.66,25 |
| " | 20 ... | 2,50,00 | 1 5 3 | 25,66,25 |
| " | 27 ... | 3,00,00 | 1 5 10 | 27,16,25 |
| November | 3 ... | 3,00,00 | 1 5 8 / 1 4 0 | 28,66,25 |
| " | 10 ... | 2,65,50 | 1 5 10 | 29,81,75 |
| " | 17 ... | 3,05,00 | 1 6 8 | 31,36,75 |
| " | 24 ... | 3,68,75 | 1 7 9 | 33,05,50 |
| December | 1 ... | 2,53,75 | 1 10 4 | 33,59,25 |
| " | 8 ... | 2,10,50 | 1 13 6 | 33,69,75 |
| " | 15 ... | 1,68,25 | 2 1 6 | 33,38,00 |
| " | 22 ... | 1,14,00 | 2 3 10 | 30.52,00 |
| " | 29 ... | 1,12,00 | 2 8 10 | 30,47,75 |
| Jan. 5 1939 | ... | 1,09,00 | 2 9 2 | 29,56,75 |
| " | 12 ... | 1,53,50 | 2 10 0 | 31,10,25 |
| " | 19 ... | 1,70,00 | 2 9 10 | 30,80.25 |
| " | 26 ... | 2,38,00 | 2 9 9 | 30,68,25 |
| February | 2 ... | 1,67,75 | 2 10 0 | 29,36,00 |
| " | 9 ... | 1,38;25 | 2 9 10 | 27,58,75 |
| " | 16 ... | 1,99,50 | 2 10 0 | 26,53,25 |
| " | 23 ... | 4,48,75 | 2 9 10 | 27,33,25 |
| March | 2 ... | 3,42,25 | 2 9 4 | 25,71.75 |
| " | 9 ... | 1,59,50 | 2 8 0 | 25,20,75 |
| " | 16 ... | 2,61,75 | 2 7 0 | 26,14,25 |

**Currency Notes issued in India and Burma**
(In Crores of Rupees)

| | | 1936 | 1937 | 1938 | 1939 |
|---|---|---|---|---|---|
| January | ... | 194 | 204 | 213 | 203 |
| February | ... | 194 | 208 | 213 | 205 |
| March | ... | 195 | 208 | 214 | 207 |
| April | ... | 195 | 208 | 214 | |
| May | ... | 196 | 207 | 214 | |
| June | ... | 198 | 208 | 214 | |
| July | ... | 201 | 212 | 213 | |
| August | ... | 202 | 213 | 215 | |
| September | ... | 203 | 213 | 212 | |
| October | ... | 203 | 214 | 209 | |
| November | ... | 202 | 214 | 208 | |
| December | ... | 201 | 214 | 206 | |

**Gold Exports from India**
(In Thousands of Rupees)

| | | 1936 | 1937 | 1938 | 1939 |
|---|---|---|---|---|---|
| January | ... | 2,71,71 | 2,38,62 | 1,54,37 | 6,54 |
| February | ... | 2,63,89 | 1,15,09 | 1,99,39 | 97,38 |
| March | ... | 2,08,42 | 1.19,26 | 80,60 | |
| April | ... | 2,79,88 | 1,83,27 | 1,24,04 | |
| May | ... | 3,28,06 | 1,47,13 | 1,10,36 | |
| June | ... | 2,79,58 | 81,52 | 70,17 | |
| July | ... | 4,04,83 | 2,40,27 | 3,05,05 | |
| August | ... | 2,25,74 | 1,44,01 | 2,01,15 | |
| September | ... | 2,21,31 | 1,44,81 | 30,20 | |
| October | ... | 2,19,07 | 1,30,46 | 215.90 | |
| November | ... | 3,58,28 | 1,17,57 | 68,20 | |
| December | ... | 1,55,71 | 1,65,73 | 38 | |
| Total | ... | 33,15,94 | 18,27,74 | 15,59,81 | |

## Current and Time Deposits of Scheduled Banks in India and Burma

(In Lakhs of Rupees)

| Month. | | Current Deposits. 1937 | Current Deposits. 1938 | Time Deposits. 1937 | Time Deposits. 1938 | Total. 1937 | Percentage of Cash to Liabilities. 1937 |
|---|---|---|---|---|---|---|---|
| January | ... | 132.80 | 130,19 | 102,60 | 110,00 | 235,60 | 9.81 |
| February | ... | 131,30 | 129,03 | 108,40 | 110,18 | 235,60 | 10.98 |
| March | ... | 133,20 | 128,58 | 104,70 | 108,27 | 238,90 | 12.02 |
| April | ... | 135,54 | 128,04 | 105,63 | 110,09 | 238,10 | ... |
| May | ... | 134,51 | 127,28 | 107,38 | 110,48 | 237,70 | ... |
| June | ... | 133,19 | 127,14 | 106,05 | 107,70 | 234,80 | ... |
| July | | 133,64 | 129,71 | 108,42 | 107,11 | 236,80 | ... |
| August | ... | 134,00 | 129,27 | 110,27 | 106,97 | 236.20 | ... |
| September | ... | 132,95 | 131,16 | 110,18 | 101 21 | 232,40 | ... |
| October | ... | 134,28 | ... | 109,45 | ... | ... | ... |
| November | ... | 135,66 | ... | 108,98 | ... | ... | ... |
| December | ... | 131,53 | ... | 110,96 | ... | ... | ... |

## Madras Clearing House Returns

(In Lakhs of Rupees)

| Year. | Amount. | Year. | Amount. |
|---|---|---|---|
| 1918—19 | 25,48 | 1928—29 | 65,73 |
| 1919—20 | 33,95 | 1929—30 | 82,19 |
| 1920—21 | 75,79 | 1930—31 | 50 36 |
| 1921—22 | 39,54 | 1931—32 | 43,97 |
| 1922—23 | 45,13 | 1932—33 | 48,85 |
| 1923—24 | 55,41 | 1933—34 | 53,19 |
| 1924—25 | 55,96 | 1934—35 | 56,22 |
| 1925—26 | 56,80 | 1935—36 | 69,23 |
| 1926—27 | 54,53 | 1936—37 | 91,39 |
| 1927—28 | 59,79 | | |

| | |
|---|---|
| April '87 | 12,66 |
| May | 7,64 |
| June | 7,28 |
| July | 10,28 |
| Aug. | 2,88 |
| Sep. | 10,27 |
| Oct. | 9,24 |
| Nov. | 7,65 |
| Dec | 9,25 |

| | | |
|---|---|---|
| January | 1988 | 8,67 |
| February | 1989 | 8,88 |
| March | ,, | 9,50 |
| April | ,, | 9,82 |
| May | ,, | 8,72 |
| June | ,, | 7,77 |
| July | ,, | 9.10 |
| August | ,, | 7,04 |
| September | ,, | 9,46 |
| October | ,, | 6,98 |
| November | ,, | 6,81 |

Dec. 1988. 921
Jan. 1989. 777
Feb. ,, 795
Mar. ,, 1,085

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

| | | 1937 | 1938 | 1939 |
|---|---|---|---|---|
| January | ... | 9,588 | 3,270 | 6,495 |
| February | ... | 8,130 | 4,945 | 1,000 |
| March | ... | 4,155 | 4,667 | |
| April | ... | 5,480 | 18 | |
| May | ... | 95 | Nil | |
| June | ... | 985 | Nil | |
| July | ... | 425 | 415 | |
| August | ... | 753 | 255 | |
| September | ... | 80 | 630 | |
| October | | 8,085 | 1,580 | |
| November | ... | 650 | 1,185 | |
| December | ... | 570 | 1,193 | |
| Total ... | | 83,946 | 18,058 | |

| | | |
|---|---|---|
| Total Purchase of Sterling in 1933 | ... | 27,900 |
| ,, ,, ,, , 1934 | ... | 47,459 |
| ,, ,, , ,, 1935 | ... | 28,961 |
| ,, ,, ,, ,, 1936 | ... | 42,699 |
| ,, ,, ,, ,, 1937 | ... | 88 946 |

# FOREIGN AND COASTING TRADE

## MADRAS PROVINCE

*Merchandise Imports from and Exports to Foreign Countries*

| | | Imports 1937 | Imports 1938 | Exports 1937 | Exports 1938 |
|---|---|---|---|---|---|
| January | ... | 143,11,157 | 222,01,632 | 315,48,992 | 286,80,051 |
| February | .. | 110,87 550 | 220,34,055 | 372,91,609 | 310,51,101 |
| March | .. | 143,76,715 | 296,46,619 | 480,04,037 | 438,55,666 |
| April | .. | 235,27,846 | 206,77,387 | 351,61,208 | 284,46,598 |
| May | . | 255,10.528 | 236,92,211 | 336,50,600 | 307,15,005 |
| June | .. | 235,19,653 | 213,55,047 | 348,16,106 | 302,45,497 |
| July | ... | 282,82,961 | 185,31,779 | 373,45,513 | 313,55,212 |
| August | ... | 229,18,142 | 183,74,370 | 289,72,685 | 277,65,899 |
| September | ... | 312,77 968 | 148,77,946 | 310,33,428 | 301,38,438 |
| October | ... | 191,48,802 | 178,90,375 | 276,34,179 | 269,74.001 |
| November | .. | 224,76,438... | 215,30,001 | 256,54,502 | 276,64,308 |
| December | ... | 181,99,513 | 153,29,284 | 253,45,214 | 236,78,700 |

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

| | | Imports 1937 | Imports 1938 | Exports 1937 | Exports 1938 |
|---|---|---|---|---|---|
| January | .. | 98,70,132 | 107,64,550 | 69,01,705 | 68,95,131 |
| February | ... | 79,42,578 | 86,94,662 | 58,08,630 | 57,88,494 |
| March | .. | 82,10,848 | 110,42,485 | 72,90,844 | 87,11,040 |
| April | ... | 80,61,102 | 78,18,095 | 91,15,166 | 59,60,520 |
| May | . | 72,71,028 | 79,71,660 | 82,29,569 | 56,38,693 |
| June | .. | 132,69,348 | 59,45,217 | 59,98,376 | 61,59,579 |
| July | ... | 104,41,462 | 73,50,189 | 46,18,492 | 52,48,107 |
| August | ... | 93,15 567 | 64,70,097 | 70,46,372 | 33,27,696 |
| September | ... | 72,58,936 | 58,02,074, | 47,07,120 | 59,10,506 |
| October | ... | 61,40,536 | 51,57,807 | 63,82,223 | 58,05,017 |
| November | ... | 81.29,636 | 93,89,558 | 55,43,058 | 80,08,158 |
| December | ... | 79,75,652 | 65,81,601 | 56,87,787 | 54,66,493 |



# RAILBORNE TRADE OF MADRAS PROVINCE—(*In tons*)

*CHIEF SOURCES † CHIEF DESTINATION

| | | CEMENT Import 1937 | Import 1938 | Export 1937 | Export 1938 | COFFEE. Import 1937 | Import 1938 | Export 1937 | Export 1938 | COTTON YARN Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| January | ... | 5207.0 | 2712.2 | 1790.9 | 1898.8 | 79.6 | 71.6 | 65.8 | 34.1 | 657.4 | 1072.9 | 943.2 | 1041.6 |
| February | ... | 3552 7 | 2842.1 | 1300.9 | 2012.7 | 113.0 | 41.0 | 70.2 | 35.7 | 659.0 | 813.7 | 922.1 | 848.2 |
| March | ... | 5935.0 | 3109.2 | 1065.9 | 2154.2 | 138 8 | 92.7 | 24.8 | 29.2 | 625.2 | 993.0 | 1023.8 | 760.2 |
| April | ... | 4577.6 | 6186.8 | 947.6 | 2431.1 | 160.2 | 109.9 | 157.4 | 22.8 | 742.2 | 851.7 | 755.5 | 797.7 |
| May | ... | 4629.3 | 3556.5 | 809.7 | 3099.2 | 74.5 | 78.1 | 34.6 | 35.2 | 659.4 | 919.9 | 653.7 | 941.3 |
| June | ... | 4484 1 | 2858.4 | 1825.5 | 2346.1 | 101.6 | 51.0 | 33.4 | 21.1 | 583.8 | 979.4 | 850.2 | 734.9 |
| July | ... | 3314.9 | 2773.1 | 1855.8 | 2020.5 | 82.1 | 55.8 | 30.6 | 27.5 | 603.9 | 968.3 | 1268.0 | 1067.2 |
| August | ... | 3525.1 | 3717.0 | 1836 4 | 2168.5 | 72.2 | 69.8 | 25.8 | 32.7 | 851.4 | 915.7 | 1248.3 | 1054.9 |
| September | ... | 3054 8 | ... | 1938.0 | ... | 88.7 | ... | 33.4 | ... | 828.7 | ... | 1293.5 | ... |
| October | ... | 1932 3 | ... | 1957.2 | ... | 39.0 | ... | 24.5 | ... | 775.9 | ... | 709.8 | ... |
| November | ... | 2413.1 | ... | 1908.1 | ... | 57.1 | ... | 25.5 | ... | 780.8 | ... | 708.3 | ... |
| December | ... | 2621.6 | ... | 1965.9 | ... | 45.1 | ... | 42.0 | ... | 904.7 | ... | 999.7 | ... |
| | ... | 45247.5 | ... | 19201.9 | ... | 1051.9 | ... | 568.0 | ... | 8672.4 | ... | 11376.1 | ... |
| | | *Nizam's Dominions, Central Provinces | | † Mysore. | | * Mysore. | | † Mysore. | | * Bombay and Mysore. | | † Calcutta Bombay, and Mysore. | |

| | | COTTON PIECE-GOODS. Import 1937 | Import 1938 | Export 1937 | Export 1938 | PADDY. Import 1937 | Import 1938 | Export 1937 | Export 1938 | RICE. Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| January | ... | 1489.5 | 1100.6 | 634.5 | 647.5 | 1931.2 | 1915.6 | 280.0 | 136.5 | 5267.2 | 10613.4 | 13881.2 | 13976.7 |
| February | ... | 1371.8 | 1125.1 | 576.8 | 619.5 | 5730.7 | 4932.9 | 97.9 | 130.1 | 6112.0 | 12918.1 | 13341.3 | 11603.7 |
| March | ... | 1239.8 | 1204.4 | 922.9 | 730.9 | 6154.3 | 6698.4 | 97.2 | 112.6 | 5852.2 | 10789 9 | 14486.2 | 12944.1 |
| April | ... | 1418.4 | 1203.9 | 670.2 | 621.5 | 4911.5 | 3781.5 | 110.5 | 132.6 | 6820.8 | 10895.5 | 11567.6 | 10010.7 |
| May | ... | 1495.6 | 1188.6 | 648 8 | 573.9 | 4924.7 | 5691.8 | 127.8 | 100.0 | 3535.3 | 8005.2 | 7248.1 | 13095.5 |
| June | ... | 1298.7 | 1431.6 | 681.2 | 538.6 | 2988.1 | 3931.7 | 70.5 | 102.8 | 4366.0 | 6691.9 | 10091.7 | 16288.9 |
| July | ... | 1577.5 | 1206.7 | 535.4 | 493.2 | 1742.1 | 1802.8 | 68.1 | 91.4 | 5688.0 | 5966.7 | 9160.5 | 13309.9 |
| August | ... | 1536.6 | 1694.9 | 605.8 | 578.3 | 2010.3 | 891.8 | 43.1 | 1992.6 | 5797.4 | 6781.2 | 9043.4 | 11222.4 |
| September | ... | 1794.2 | ... | 651.5 | ... | 3297.4 | ... | 42.9 | ... | 7243.9 | ... | 11927.7 | ... |
| October | ... | 1682.4 | ... | 814.6 | ... | 3761.0 | ... | 54.4 | ... | 14366.9 | ... | 8165.2 | ... |
| November | ... | 1810.7 | ... | 648.8 | ... | 2688.3 | ... | 64.9 | ... | 13400.4 | ... | 12172.3 | ... |
| December | ... | 1951.4 | ... | 707.7 | ... | 1514.6 | ... | 200.7 | ... | 14605.4 | ... | 12907.2 | ... |
| | ... | 18666.6 | ... | 7998.2 | ... | 41654.2 | ... | 1258.0 | ... | 93055.5 | ... | 133992.4 | ... |
| | | * Bombay and Mysore. | | † Calcutta. Bombay. and Mysore. | | *Orissa and Central Provinces. | | † Bombay | | * Orissa, Central Provinces, Bengal Bihar and Punjab. | | † Mysore, Nizam's Dominions, Bombay. | |

| | | RAW HIDES. Import 1937 | Import 1938 | Export 1937 | Export 1938 | RAW SKINS. Import 1937 | Import 1938 | Export 1937 | Export 1938 | LEATHER. Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| January | ... | 1840.8 | 1277.9 | 106.5 | 76.9 | 893.6 | 752.2 | 66.9 | 46.2 | 256.2 | 353.9 | 79.8 | 83 2 |
| February | ... | 1675.6 | 689.2 | 60.8 | 73.8 | 781.1 | 728 9 | 57.9 | 48.6 | 199 4 | 278.4 | 58.7 | 65.3 |
| March | ... | 1843.9 | 1286.5 | 63.6 | 68.2 | 931.5 | 768.5 | 82.2 | 45.3 | 236.0 | 334.5 | 62.6 | 66.9 |
| April | ... | 1012.3 | 728.2 | 95.6 | 35.7 | 989 9 | 587 9 | 82.3 | 27.6 | 243.3 | 368.0 | 45.5 | 95.3 |
| May | ... | 2823.2 | 843.4 | 56.6 | 24.7 | 834.7 | 843.4 | 65.6 | 24.7 | 262.6 | 402.0 | 58.3 | 57.9 |
| June | ... | 779.2 | 685.8 | 52.4 | 47.6 | 826.1 | 615 1 | 45.4 | 33.1 | 196 4 | 367.9 | 60.3 | 72.2 |
| July | ... | 1502.4 | 760.8 | 56.7 | 54 9 | 1024.2 | 542.5 | 58.8 | 52.6 | 312.8 | 328.7 | 68.0 | 60.5 |
| August | ... | 1546.8 | 1313 6 | 76.8 | 68.2 | 980.1 | 656.9 | 43.6 | 39.8 | 214.9 | 447.1 | 90.3 | 63.4 |
| September | ... | 1050.3 | ... | 90 9 | ... | 918.8 | ... | 35.4 | ... | 199.7 | ... | 80.9 | ... |
| October | ... | 1036.5 | .. | 86.4 | ... | 834.9 | ... | 51 9 | .. | 293.5 | ... | 94 9 | ... |
| November | ... | 406.8 | ... | 45.9 | ... | 616.1 | ... | 34 8 | ... | 215.9 | ... | 94.6 | ... |
| December | ... | 849.8 | ... | 97.0 | ... | 671.8 | ... | 45.6 | ... | 245.7 | ... | 83.8 | ... |
| | | 1636.6 | ... | 889.2 | ... | 10302.8 | ... | 670.4 | ... | 2876.4 | ... | 877.7 | ... |
| | | * Bengal, Orissa Central Provinces. | | † Mysore. | | * Mysore. Central Provinces. Bombay. Nizam's Dominions. | | † Mysore. | | * Mysore, Nizam's Dominions. | | † Bengal, Bombay and Mysore. | |

## IRON AND STEEL GOODS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 7101.2 | 7165.8 | 2497.6 | 1876.9 |
| February | 6720.7 | 6559.4 | 3992.7 | 1990.5 |
| March ... | 8839.8 | 9745.1 | 2380.2 | 2132.2 |
| April ... | 7795.2 | 10088.1 | 2386.0 | 2575.4 |
| May ... | 6640.9 | 10521.3 | 2329.6 | 1681.9 |
| June ... | 7594.8 | 7743.8 | 1712.0 | 1066.4 |
| July ... | 8138.7 | 8270.0 | 2348.9 | 2086.5 |
| August ... | 4983.2 | 10064.7 | 1807.9 | 1257.5 |
| September ... | 5065.9 | ... | 1752.0 | ... |
| October ... | 6424.8 | ... | 1562.0 | ... |
| November ... | 5221.1 | ... | 1917.9 | ... |
| December ... | 5747.6 | ... | 1452.0 | ... |
| | 80278.9 | | 26138.8 | ... |

* Behar, Bengal, Mysore, Bombay. † Mysore. Bombay. Nizam's Dominions.

## OIL CAKES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 2069.4 | 4517.1 | 281.1 | 74 4 |
| February | 2402.6 | 8051.7 | 118.0 | 52.4 |
| March | 1242.8 | 4082.7 | 95.0 | 107.2 |
| April | 1968.8 | 5007.6 | 98.2 | 205.6 |
| May | 1970.9 | 3586.6 | 128.8 | 1681.9 |
| June | 1580.7 | 4988.9 | 61.5 | 118.8 |
| July | 2226.1 | 4752.5 | 198.6 | 81.6 |
| August | 2427.8 | 2860.1 | 58.9 | 45.8 |
| September | 1459.0 | ... | 87.7 | ... |
| October | 2806.2 | ... | 25.7 | ... |
| November | 2810.1 | ... | 14.8 | ... |
| December | 4208.4 | ... | 17.9 | ... |
| | 26112.8 | .. | 1070 6 | ... |

* Nizam's Dominions, Mysore, Bombay, Central Provinces, Orissa. † Mysore and Bombay.

## VEGETABLE OILS.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 851.6 | 514.5 | 1117.8 | 2609.2 |
| February | 846.8 | 422.9 | 1405.4 | 2158.9 |
| March | 791.6 | 491.7 | 878.8 | 2542.6 |
| April | 1010.8 | 480.6 | 1674.8 | 1864.6 |
| May | 685.8 | 476.2 | 1518.2 | 1898.4 |
| June | 685.8 | 560.6 | 1811.4 | 1826.5 |
| July | 878.8 | 551.2 | 1285.4 | 1785 9 |
| August | 411.8 | 471.8 | 1818.4 | 1284.7 |
| September | 408.5 | .. | 1127.2 | ... |
| October | 468.7 | ... | 1845.6 | ... |
| November | 621.8 | ... | 1694 6 | ... |
| December | 522.8 | ... | 2216.2 | ... |
| | 7577.8 | ... | 16888.8 | ... |

* Nizam's Dominions, Mysore, Bombay. † Bengal, Mysore, Orissa, Bombay, Behar.

## CASTOR SEED (In Tons)

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 1958.5 | 546.3 | 45.0 | 22.8 |
| February ... | 2465.8 | 1127.7 | 85.2 | 37.6 |
| March ... | 5023.3 | 732.1 | 154.1 | ... |
| April ... | 4054.6 | 1081.6 | 100.1 | 14.4 |
| May ... | 2142.9 | 388.6 | 89.4 | 1.8 |
| June ... | 741.9 | 868.5 | 16.1 | 6.4 |
| July ... | 1099.3 | 202.9 | ... | 40.9 |
| August ... | 771.2 | 223.6 | ... | 14.4 |
| September ... | 2141.7 | ... | 153.9 | ... |
| October ... | 1174.9 | ... | 82.2 | ... |
| November ... | 260.8 | ... | 106.6 | . |
| December ... | 205.2 | ... | 14.4 | ... |
| | 22039.6 | ... | 697.0 | ... |

* Nizam's Dominions, Orissa. † Mysore.

## COTTON SEED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1804 8 | 2552.9 | 86 8 | 8.1 |
| February | 744.5 | 1512.9 | 24.2 | 1.8 |
| March | 1498.8 | 2454.7 | 4.2 | 8.5 |
| April | 2711.4 | 3169.4 | 12.0 | 1.7 |
| May | 2586.4 | 2761.8 | 6.6 | 86.9 |
| June | 1807.4 | 2747.8 | 8.8 | 7 9 |
| July | 1878.8 | 2429.7 | 5.5 | 10.8 |
| August | 2158.0 | 1868.6 | 6.1 | 2 5 |
| September | 1495.6 | ... | 1.4 | ... |
| October | 552.1 | ... | 1.0 | ... |
| November | 1845.8 | ... | .5 | ... |
| December | 2678.1 | ... | 16.4 | ... |
| | 21255.7 | ... | 118.0 | ... |

* Bombay, Nizam's Dominions. † Nizam's Dominions.

## GROUNDNUT.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 11012.9 | 10067.6 | 15062.8 | 6418.4 |
| February | 1406.8 | 4266.0 | 8514.8 | 4286.8 |
| March | 1281.0 | 7251.4 | 2009.7 | 6280.8 |
| April | 806.2 | 8058.0 | 1609.2 | 2207.4 |
| May | 181.9 | 2688.9 | 507.7 | 2659.2 |
| June | 855.0 | 4472.8 | 726.1 | 2610.7 |
| July | 89.5 | 6822.1 | 878.8 | 2918.6 |
| August | 578.7 | 8886.1 | 1242.8 | 1476.4 |
| September | 52.2 | ... | 874.8 | .... |
| October | 108.2 | ... | 1058.9 | ... |
| November | 4900.4 | ... | 815.7 | ... |
| December | 15485.7 | ... | 2896.8 | ... |
| | 36108.0 | ... | 32197.1 | ... |

* Nizam's Dominions, Mysore. † Bombay, Bengal.

## RAPE AND MUSTARD.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 898.4 | 437.7 | 6.6 | 50.7 |
| February ... | 497.4 | 840.9 | 10.6 | 70.6 |
| March ... | 279.1 | 466.9 | 142.7 | 71.9 |
| April ... | 158.9 | 209.7 | 196.4 | 28.7 |
| May ... | 232.9 | 94.9 | 208.5 | 22.2 |
| June ... | 40.2 | 71.5 | 240.8 | 6.9 |
| July ... | 8.6 | 14.6 | 178.1 | 82.9 |
| August ... | 68.5 | 16.6 | 75 8 | 19.4 |
| September ... | 58.5 | ... | 51.9 | .. |
| October ... | 44.7 | ... | 6.9 | .. |
| November ... | 82.5 | ... | 85.2 | ... |
| December ... | 27.4 | ... | 27.8 | ... |
| | 1847.1 | ... | 1280 8 | ... |

* Orissa and Bengal.

## GINGELLY SEED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 2618.5 | 2142.8 | 8.7 | 24 8 |
| February | 8686.5 | 8061.0 | 8.9 | 8.4 |
| March | 946.5 | 2098.1 | 88.8 | 20.7 |
| April | 877.1 | 618.7 | 85.8 | 9.9 |
| May | 961.2 | 971.5 | 72.6 | 6.5 |
| June | 869.6 | 559.8 | 6.4 | 22.9 |
| July | 225.8 | 462.6 | 14.5 | 6.8 |
| August | 741.8 | 888.4 | 2.2 | 4.5 |
| September | 2040.6 | ... | 22.8 | ... |
| October | 2784.1 | ... | .8 | ... |
| November | 1660.2 | ... | .1 | ... |
| December | 8888.8 | ... | 14.9 | ... |
| | 19744.7 | ... | 221.5 | ... |

* Nizam's Dominions, Orissa, Central Provinces. † Mysore and Orissa.

## SALT.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 1825.0 | 1107.9 | 5876.8 | 8816.8 |
| February | 1179.9 | 771.1 | 4641.1 | 2144 9 |
| March | 2029.2 | 2648.7 | 8270.0 | 2884.5 |
| April | 8658.9 | 2168.6 | 5187.8 | 4689.4 |
| May | 8567.8 | 1724.9 | 4967.4 | 5217.6 |
| June | 816.1 | 29.5 | 4477.4 | 8790.8 |
| July | 7.5 | 6.8 | 2848.6 | 2956.5 |
| August | 7 | 4.8 | 8416.5 | 2582.6 |
| September | 1.4 | ... | 2658.9 | ... |
| October | 15.4 | ... | 8412.4 | ... |
| November | 176.6 | ... | 4877.6 | .. |
| December | 606.0 | ... | 8547.9 | ... |
| | 12884.0 | ... | 47622.4 | .. |

* Bombay. † Orissa, Central Provinces, Nizam's Dominions, Mysore.



## SUGAR—REFINED.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 11465.2 | 5839.9 | 599.3 | 809.8 |
| February ... | 10814.7 | 5309.3 | 250.0 | 1573.5 |
| March ... | 7798.2 | 8682.9 | 546.9 | 1247.5 |
| April ... | 7011.3 | 8918.8 | 749.7 | 647.8 |
| May ... | 6349.9 | 6282.8 | 722.6 | 762.5 |
| June ... | 3379.2 | 9458.9 | 787.4 | 1172.4 |
| July ... | 3965.6 | 5541.0 | 795.8 | 870.1 |
| August ... | 4356.3 | 3154.5 | 651.8 | 1199.1 |
| September ... | 4984.4 | ... | 479.9 | ... |
| October ... | 7738.3 | ... | 773.0 | ... |
| November ... | 5686.9 | ... | 1070.3 | ... |
| December ... | 4285.4 | .. | 755.6 | ... |
| ... | 77835.4 | ... | 8182.3 | ... |

* United Provinces, Behar, Mysore. † Bombay, Nizam's Dominions, Mysore, Orissa.

## JAGGERY AND MOLASSES.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 378.9 | 151.5 | 1104.7 | 2760.4 |
| February | 700.8 | 491.9 | 2571.9 | 4161.5 |
| March | 847.9 | 806.2 | 3223.6 | 3886.1 |
| April | 1014.3 | 153.8 | 3226.6 | 2244.8 |
| May | 1097.3 | 134.9 | 1956.4 | 1791.6 |
| June | 367.8 | 203.0 | 1056.6 | 994.5 |
| July | 469.7 | 71.3 | 1357.2 | 1864.9 |
| August | 256.7 | 101.4 | 987.5 | 1256.7 |
| September | 301.2 | ... | 1042.1 | |
| October | 241.8 | .. | 1031.6 | ... |
| November | 102.0 | ... | 1412.9 | ... |
| December | 92.6 | ... | 1393.6 | ... |
| | 5871.0 | ... | 20364.7 | |

* United Provinces, Mysore, Punjab. † Bombay, Nizam's Dominions, Mysore & Central Provinces.

## TEA.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 55.9 | 86.8 | 303.9 | 320.8 |
| February | 64.7 | 75.4 | 263.4 | 314.3 |
| March | 60.9 | 104.9 | 311.7 | 353.3 |
| April | 93.6 | 83.8 | 317.6 | 252.9 |
| May | 89.9 | 135.4 | 330.9 | 355.3 |
| June | 63.7 | 104.3 | 333.6 | 355.5 |
| July | 50.3 | 74.2 | 340.3 | 374.0 |
| August | 71.9 | 125.7 | 699.3 | 334.2 |
| September | 88.1 | ... | 347.1 | ... |
| October | 54.2 | ... | 409.6 | ... |
| November | 92.5 | ... | 338.1 | ... |
| December | 105.5 | . | 332.1 | ... |
| | 891.2 | ... | 4327.6 | ... |

* Calcutta. † Bombay, Mysore.

## RAW TOBACCO

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January ... | 104.1 | 148.7 | 1018.4 | 2191.7 |
| February ... | 287.3 | 428.8 | 1014.4 | 1389.9 |
| March ... | 425.8 | 651.8 | 1413.1 | 1946.4 |
| April ... | 396.4 | 427.4 | 1175.5 | 1545.9 |
| May ... | 419.9 | 310.5 | 1579.1 | 1308.0 |
| June .. | 170.8 | 188.7 | 1143.4 | 1181.9 |
| July ... | 151.5 | 270.3 | 1093.6 | 1012.9 |
| August ... | 139.8 | 261.3 | 886.7 | 1106.7 |
| September ... | 143.6 | ... | 774.1 | ... |
| October ... | 139.6 | ... | 1588.1 | ... |
| November ... | 173.3 | ... | 1412.5 | ... |
| December ... | 87.7 | ... | 2413.5 | ... |
| ... | 2639.8 | ... | 15512.4 | ... |

* Mysore. † Mysore, Bombay, Calcutta, Orissa, Behar.

## WOOD AND TIMBER.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 5747.8 | 5153.7 | 1075.8 | 644.5 |
| February | 9462.4 | 5734.8 | 777.1 | 970.1 |
| March | 7738.4 | 6371.2 | 1489.1 | 1063.9 |
| April | 5717.4 | 6582.8 | 916.1 | 1225.2 |
| May | 7343.5 | 4698.2 | 1157.7 | 710.5 |
| June | 7882.0 | 4212.. | 1164.4 | 1115.9 |
| July | 5363.3 | 2875.8 | 1354.5 | 1085.3 |
| August | 2970.5 | 1984.2 | 1327.7 | 984.4 |
| September | 1958.5 | ... | 1190.7 | .. |
| October | 1584.7 | ... | 1377.4 | ... |
| November | 2286.4 | ... | 823.8 | ... |
| December | 3627.3 | ... | 710.9 | ... |
| | 61582.2 | .. | 13365.2 | ... |

* Orissa, Nizam's Dominions, Central Provinces, Mysore, Bombay. † Mysore.

## RAW WOOL.

| | Import 1937 | Import 1938 | Export 1937 | Export 1938 |
|---|---|---|---|---|
| January | 93.1 | 16.2 | 145.0 | 26.1 |
| February | 117.4 | 47.8 | 132.8 | 47.4 |
| March | 69.4 | 23.6 | 168.7 | 26.4 |
| April | 80.8 | 9.4 | 59.0 | 48.2 |
| May | 56.8 | 3.9 | 69.1 | 47.9 |
| June | 45.9 | 12.4 | 18.6 | 35.4 |
| July | 16.3 | 18.3 | 64.4 | 61.4 |
| August | 55.1 | 36.5 | 48.5 | 54.6 |
| September | 38.9 | ... | 126.3 | |
| October | 58.5 | ... | 71.7 | |
| November | 21.0 | ... | 54.8 | ... |
| December | 1.6 | ... | 87.7 | |
| | 654.8 | ... | 1046.6 | |

* Bombay. † Bombay.

*Concluded from page 76*

of anti-Indian feeling and by an attempted legislation to segregate the Indian population in the Union. It is a great misfortune that all the time that India has been upholding the Empire idea and Empire trade concessions in the true spirit of such Empire affinity the Indian population in the scattered protectorates and colonies and Dominions of the British Empire have had anything but a fair and humane treatment and it is a tragedy that the Union of South Africa so soon after concluding a trade agreement with India should have thought of legislating for the expropriation of the Indian population.

The halting and hesitating policy of industrial protection of the Government of India came in for some criticism particularly in view of their decision regarding protection to the glass industry and the extension of protection to such industries as paper and sugar. The Federation also took the occasion to reaffirm their belief in the efficacy of the 16d. ratio and warned the Government that if they persisted in their mad policy of sustaining an unnatural ratio the Country was going to be rapidly impoverished by the frittering away of her gold and sterling resources with consequent repercussions on the balance of trade and enterprise in the country.

# TRADE OF MADRAS PORTS

(In lakhs of Rupees)

## MADRAS PORT.

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| Grain. Pulse and Flour ... | 88.2 | 70.4 | Oilseeds ... | 218.8 | 181.4 |
| Machinery & Mill Work ... | 165.3 | 147.5 | Raw Cotton ... | 115.1 | 49.8 |
| Metals ... | 115.1 | 70.4 | Cotton yarn .. | 6.9 | 2.2 |
| Cotton yarn ... | 51.1 | 30.8 | Other Cotton Manufactures | 252.7 | 186.7 |
| Other Cotton manufactures | 107.3 | 64.2 | Fruits & Vegetables ... | 29.1 | 19.9 |
| Oils chiefly mineral ... | 193.5 | 155.4 | Coffee ... | 2.0 | 1.0 |
| Hardware ... | 47.3 | 25.2 | Tobacco ... | 92.2 | 72.4 |
| Provisions ... | 41.4 | 30.4 | | | |
| Paper & Paste | 56.6 | 34.0 | | | |
| Chemicals | 41.1 | 27.7 | | | |
| Artificial Silk yarn & Manufactures ... | 37.2 | 5.7 | | | |
| Manures ... | 30.8 | 26.4 | | | |
| Tobacco ... | 20.5 | 18.3 | | | |
| Silk Manufacture ... | 27.2 | 4.6 | | | |
| Soap ... | 3.2 | 5.1 | | | |

## VIZAGAPATAM

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| Paper ... | 1.2 | .5 | Oil cakes ... | 22.2 | 9.9 |
| Chemicals ... | 5.1 | 4.6 | Groundnuts ... | 71.2 | 87.9 |
| | | | Manganese ore | 88.2 | 87.0 |

## COCANADA

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| Mineral oils ... | 196.0 | 44.1 | Groundnut ... | 54.9 | 64.5 |
| Metals ... | 1.2 | 1.0 | Castor seed ... | 9.1 | 4.8 |

## NEGAPATAM

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| Sugar ... | 2.0 | 3.8 | Rice ... | 12.8 | 18.8 |
| Betelnuts ... | 7.7 | 4.5 | Groundnut ... | 58.8 | 56.8 |

## COCHIN

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| Paper ... | 6.9 | 3.6 | Coir yarn and products ... | 80.6 | 52.0 |
| Mineral oil ... | 144.6 | 62.7 | Tea ... | 261.0 | 195.9 |
| | | | Rubber ... | 210.6 | 44.8 |

## CALICUT

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| C. P. goods ... | 8.2 | 2.2 | Tea ... | 99.5 | 66.2 |
| Paper ... | 2.0 | 1.2 | Raw Cotton ... | 88.7 | 9.8 |
| Manure ... | 4.3 | 3.7 | Pepper ... | .7 | 8 |

## TUTICORIN

| Commodities. | Imports April 1937 to Mar. 1938 | Imports April 1938 to Dec. 1938 | Commodities. | Exports April 1937 to Mar. 1938 | Exports April 1938 to Dec. 1938 |
|---|---|---|---|---|---|
| Cotton Twist and yarn ... | 14 6 | 4.8 | Oil cakes ... | 10.9 | 10.6 |
| Metals ... | 5.7 | 4.6 | Cotton ... | 57.4 | 22.7 |
| Paper ... | 3.9 | 2.0 | Tea ... | 75.5 | 63.2 |
| Cement ... | 1.2 | .8 | | | |
| Iron and Steel | 9.3 | 3.9 | | | |





# The New Trade Pact

The salient features of the new Trade Agreement concluded between the United Kingdom and India are the linking of the preference for British piecegoods with the offtake of Indian cotton by the United Kingdom on a reciprocal, graduated scale; preference of 82 per cent of Indian exports to the United Kingdom; a separate agreement to be negotiated with Ceylon; and reduction from 106 to 20 of the items of British goods receiving Indian preferences.

The present agreement contains notable modifications of the Ottawa Agreement. It keeps as large a proportion as possible of India's exports within the preferential field. The value of imports falling in the preferential category estimated at Rs. 18,75 lakhs in 1935-36 has been reduced to an annual average of Rs. 768 lakhs. Only 16 per cent of India's imports from U. K. are subject to preference, but 82 per cent of India's exports to the U. K. are to enjoy preference or free admission.

The lowering of the duty on U. K. cotton piecegoods is an important departure. It is, however, linked with U. K. offtake of Indian cotton and the benefits conferred by the new agreement are mutual. The existing drawbacks have been withdrawn by the U. K. as regards groundnuts and are to be modified as regards linseed.

A preference of 10 per cent ad valorem is given to such important Indian commodities as castor seed, coir yarn, goatskins, groundnut, leather, linseed, paraffin wax and oilseed cakes. A preference of 15 per cent ad valorem is given to non-essential vegetable oils, dressed leather and certain jute manufactures, such as cordage, cables, ropes and twines.

A preference of 20 per cent ad valorem has been given to Indian coir mats and matting, cotton manufactures and certain jute manufactures such as sacks and bags.

Specific rates of preference are given on the following: magnesium chloride, 1s. per cwt., coffee, 9s. 4d. per cwt., tea, 2s. per lb., rice (excluding broken rice), 2s. 3d. per lb; hand-made knitted carpets get a preference of 4s. 6d. per square yard; other carpets get 20 per cent ad valorem.

Lac, myrabolams, mica, raw jute and Indian hemp are to be imported free of duty into U. K.

India accords a preference of 10 per cent to goods like cement, chemicals, drugs and medicines, paints, remnants of piecegoods, woollen carpets, iron or steel hoops and strips, refrigerators, sewing machines, some electrical instruments and appliances, wireless instruments and apparatus, cycles and photographic appliances.

A preference of 7½ per cent is accorded on motor cars motor cycles and motor buses. Spirits get a preference of Rs. 3/- per imperial gallon when the strength has to be tested and Rs. 4/- when not.

As regards duties on British piecegoods a new scheme in the recent negotiations is devised which would meet the demand for a lowering of the duty on U. K. cotton piecegoods without injuring Indian interests and at the same time secure an expanding market for Indian cotton in the U. K. A reduction in the duty has, therefore, been made and the new rates, known as basic rates, are: 17½ per cent ad valorem on printed goods; 15 per cent ad valorem or two annas, seven and a half pies per lb. whichever is higher, on grey goods and 15 per cent ad valorem on all others.

The agreement provides that if in any cotton piecegoods year U. K. imports do not exceed 350 million yards, the duties charged after the end of that year and until the end of any cotton piecegoods year in which such imports exceed 425 million yards will be reduced still further by 2½ per cent ad valorem, with a proportionate reduction in the specific duty on grey goods.

On the other hand, if in any cotton piecegoods year, U. K. imports exceed 500 million yards, the rate of duty in the following cotton piecegoods year may be increased above the basic rates to such extent as may be deemed necessary for the purpose of restricting imports of such goods during the year to the maximum yardage figure for the preceding cotton piecegoods year: the enhanced duties are, however, to be reduced to the basic rates after the end of any such year in which total imports from the U. K. have not exceeded 425 million yards.

# INDUSTRIAL PRODUCTION OF INDIA
## 1938

| COMMODITIES. | | February. | March. | April. | May. | June. | July. | August. | Sept. | October. | November. | 1937. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *Jute :—* | | | | | | | | | | | | |
| I. Twist and Yarn | (tons) | 4,434 | 4,959 | 5,351 | 3,981 | 3.247 | 4,354 | 5.241 | 5,280 | 4.116 | 4,359 | 52,040 |
| II. Manufactures | (yds.) | 145.749,384 | 170,358,946 | 322,724,299 | 318,853.188 | 314,956,745 | 317,222,388 | 352,512.918 | 325,829,611 | 214.547.727 | 241.040,828 | 1,921.745.447 |
| *Paper* | (cwts) | 85,344 | 96,390 | 96.014 | 99,644 | 102,532 | 103,626 | 108,228 | 103,066 | 102,101 | 85,708 | 999.681 |
| *Iron & Steel Manufactures :—* | | | | | | | | | | | | |
| I. Pig Iron | (tons) | 128,608 | 152,537 | 147,618 | 142.950 | 85,615 | 91.393 | 129.222 | 134.862 | 132.530 | 128,670 | 1,642,404 |
| II. Iron Castings and Mfgs. | (tons) | 7,198 | 8,133 | 7,791 | 7.906 | 5,528 | 5.903 | 8,092 | 7.682 | 6.734 | 7.679 | 113,155 |
| III. Steel Ingots | ( „ ) | 74,401 | 77,128 | 77.052 | 79,588 | 72.033 | 88.912 | 74,065 | 76.392 | 3,065 | 79,308 | 913.140 |
| IV. Semis | ( „ ) | 62,043 | 66,001 | 62,804 | 63,989 | 62,462 | 69.105 | 64,568 | 61.104 | 70,599 | 62.651 | * 562 639 (a) (Apl. to Dec.) |
| V. Finished Steel | ( „ ) | 48.171 | 56,237 | 53,812 | 54,423 | 53,603 | 60.256 | 61,541 | 64,940 | 64.837 | 65,216 | 666.993 |
| *Petrol* | (gallons) | 1,465,947 | 1,618,201 | 1,591,666 | 1,433,978 | 1.577.785 | 1,375.739 | 1,604.069 | 1,357.704 | 1.636.118 | 1,851,413 | 32.200.052 |
| *Kerosene Oil* | ( „ ) | 2,869.437 | 3,517,806 | 3,305,626 | 3,193,033 | 3.378.245 | 2.698.049 | 2,681,589 | 3,136.193 | 3.253,464 | 3.963.708 | 70,745,412 |
| *Sugar :—* | | | | | | | | | | | | |
| Khandsari Sugar | (cwts) | 7,314 | ... | . | ... | ... | ... | 677 | 197 | 453 | 2,415 | 51.499 |
| Palmyra Sugar | ( „ ) | 3.836 | ... | ... | ... | ... | ... | 19.879 | 26,084 | 18,838 | 26.886 | 139,243 |
| All other Sugar | ( „ ) | 4,420,374 | ... | ... | ... | ... | ... | 12,420 | 106.930 | 177,[illegible]10 | 561,075 | 22.129,107 |
| *Heavy Chemicals :—* | | | | | | | | | | | | |
| Hydrochloric Acid | (cwts) | 451 | 507 | 535 | 486 | 581 | 545 | 515 | 583 | 654 | 645 | 18.580 (c) (Apl. to Dec.) |
| Nitric Acid | ( „ ) | 666 | 836 | 859 | 612 | 916 | 913 | 829 | 1,069 | 972 | 1.121 | 9.825 (c) (Apl. to Dec.) |
| Sulphuric Acid | ( „ ) | 27,953 | 47,904 | 34.193 | 42.793 | 29,905 | 38,165 | 46,378 | 43,089 | 46.726 | 35.094 | 639.569 (c) |
| Alum | ( „ ) | 5,653 | 5,324 | 3,606 | 2,293 | 2.029 | 3,336 | 2,838 | 3,828 | 3.613 | 3,225 | 32,828 (c) (Apl. to Dec.) |
| Aluminium Sulphate | ( „ ) | 4,925 | 6,654 | 3.122 | 6,772 | 5.737 | 7.977 | 8,665 | 10,748 | 7,775 | 7,387 | 88,895 (c) (Apl. to Dec.) |
| Ammonium Sulphate | (tons) | 1.488 | 1,500 | 1.156 | 1,525 | 985 | 928 | 980 | 1.110 | 1,015 | 966 | 18,304 |
| Ferrous Sulphate | (cwts) | 3,328 | 798 | 414 | 878 | 832 | 1.134 | 1.143 | 1.193 | 1.006 | 1.250 | 6,930 (c) (Apl. to Dec.) |
| Magnesium Sulphate | ( „ ) | 4,961 | 6,562 | 7,840 | 6,828 | 4,316 | 4.705 | 3,502 | 7,055 | 6,592 | 4.385 | 44,906 (c) (Apl. to Dec.) |
| Sodium Sulphate | ( „ ) | 974 | 1,798 | .654 | 892 | 979 | 1.481 | 1,308 | 1,715 | 2.352 | 2,041 | 15,999 (c) Apl. to Dec.) |
| *Cotton Yarn :—* | | | | | | | | | | | | |
| India including States | (lbs) | 94,679,432 | 100,886,667 | 105,139,813 | 105,344,402 | 100,659,011 | 110,886.296 | 115,423,235 | 112,739,614 | 104,184,973 | ... | 1,120,880,534 |
| Madras | ( „ ) | 8,113,182 | 9,021,807 | 9,806,781 | 14.479,657 | 14,501,852 | 14,483,112 | 15,303.677 | 14.461,122 | 13,783,415 | ... | 141.478,081 |
| *Cotton Goods :—* | | | | | | | | | | | | |
| India including States | (yds.) | 336,206.252 | 361,870,781 | 378,434,657 | 364,911,484 | 340,768,289 | 352,347,355 | 370.113,630 | 361,114,250 | 329,104.044 | ... | 3,950.156,721 |
| Madras | ( „ ) | 6,316 378 | 6,722,352 | 6,047.906 | 6,829,487 | 6,901,926 | 6,727,442 | 7.300,826 | 7.384,490 | 6,777.120 | ... | 85 186.129 |

Edited by Mr. K. J. Cleetus, and published by Mr. P. Raghavan Nair, B.A., B. COM. at the Indian Chamber Buildings, Madras.

Printed at the Good Pastor Press, 2, Armenian Street, Madras.